

The NATIONAL UNDERWRITER

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Off
the
Press*



Actual page size 6 x 9 inches—40 pages—color throughout

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THE NEW Travelers comprehensive analysis of America's automobile accident experience of 1937 is now ready for distribution.

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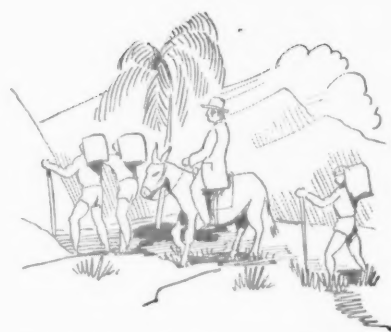
Published in the Interest of Street and Highway Safety by

THE TRAVELERS INSURANCE COMPANY
HARTFORD * * CONNECTICUT



IN May, 1853, a representative of the Groups journeyed from New Orleans to San Francisco via the Isthmus of Panama. The Panama Railroad had then been completed from Aspinwall (now Colon) only as far as Obispo, 18 miles from the city of Panama. The latter part of the trip, by mule-back, through treacherous trails and fever-ridden swamps, was so dangerous that many travelers preferred the 10,000-mile sail around Cape Horn.

This adventurous trip resulted in the appointment of the first agent in San Francisco, Joshua P. Haven, and the writing, by one of the Companies of the Royal-Liverpool Groups, of the first fire insurance policy on the Pacific Coast.



This is No. 7 of the series, "Round the World with the Royal-Liverpool Groups." This episode well illustrates the pioneering spirit of the Groups—in evidence now as then.

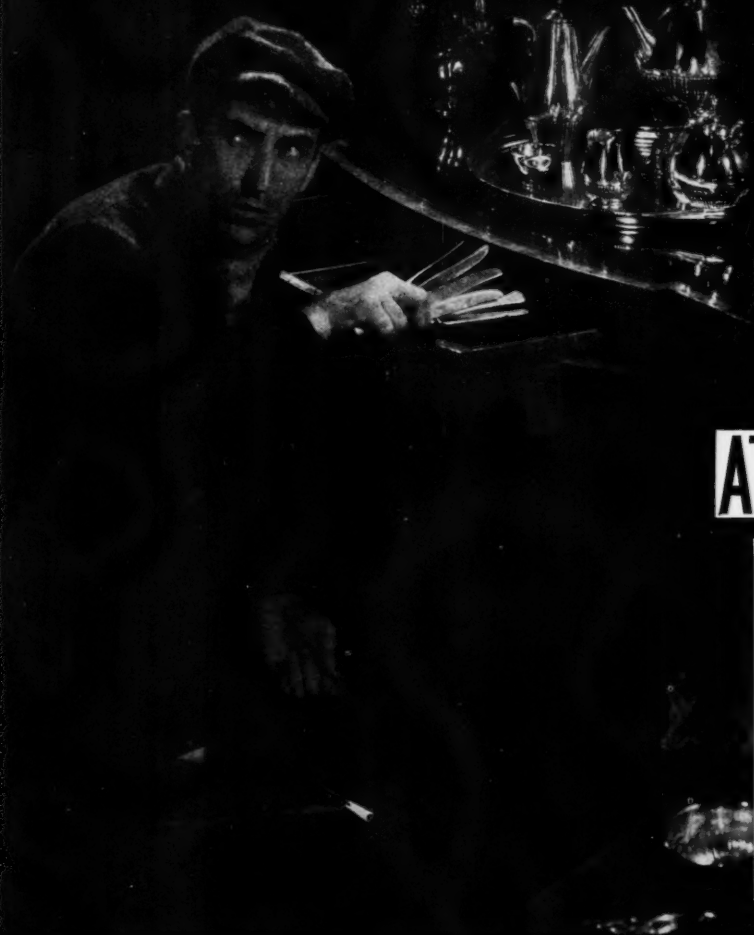
ROYAL LIVERPOOL GROUPS

ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N. Y.

AMERICAN & FOREIGN INSURANCE COMPANY • BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. • CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA
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PUBLIC ENEMY No 7*Burglary*

COMMON ENEMIES TO GUARD AGAINST	
1 FIRE	11 LIGHTNING
2 MOTOR	12 MARINE
3 ACCIDENT	13 DISASTER
4 WINDSTORM	14 RAILROAD
5 TORNADO	15 WRECK
6 PERSONAL	16 FALLING
7 ACCIDENT	17 AIRCRAFT
8 SICKNESS	18 EXPLOSION
9 DAMAGE	19 RIOT or CIVIL
10 CLAIMS	20 COMMOTION
11 BURGLARY	21 EARTHQUAKE
12 ROBBERY	22 FORGERY
13 DISHONESTY	

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• Burglars are crafty. Your silver service is always in jeopardy. Insurance cannot prevent theft, but it will remove the constant dread of loss that so often impairs the fullest enjoyment of your possessions. . . .

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The Girard Fire & Marine Insurance Co.	ORGANIZED 1853	Milwaukee Mechanics' Insurance Company	ORGANIZED 1852
The Mechanics Insurance Co. of Philadelphia	" 1854	National-Ben Franklin Fire Insurance Co.	" 1866
Superior Fire Insurance Company	" 1871	The Concordia Fire Insurance Co. of Milwaukee	" 1870
The Metropolitan Casualty Insurance Co. of N.Y.	" 1874	Commercial Casualty Insurance Company	" 1909

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912 Commerce Street, Dallas, Texas

FIRE**MARINE****CASUALTY****SURETY**

North British & Mercantile Insurance Company, Ltd.

U. S. Branch

Financial Statement

December 31st, 1937

ASSETS

		%
Cash in Offices and Banks	\$ 985,519.44	6.3
U. S. Government Bonds	6,503,419.87	41.3
State, County and Municipal Bonds	1,850,149.29	11.7
Railroad, Public Utility and other Bonds	4,105,606.45	26.0
Stocks (99% Preferred or Guaranteed)	1,136,860.00	7.2
Interest Accrued on Investments	120,515.78	0.8
Balances due from Agents, Brokers and other Insurance Companies in course of collection not over 90 days due	1,060,700.63	6.7
★ Total Admitted Assets	<u>\$15,762,771.46</u>	<u>100.0</u>

(As required by the New York Insurance Department, investments are carried in assets at amortized values on amortizable bonds and at values promulgated by the National Association of Insurance Commissioners on all other bonds and on stocks. Securities carried at \$678,182.32 are deposited as required by state laws.)

LIABILITIES

Losses in Process of Adjustment	\$ 843,729.00
Unearned Premiums on policies in force	7,128,823.20
Federal and State Taxes and Sundry Items	667,007.82
Total Liabilities	<u>\$ 8,639,560.02</u>
Statutory Deposit	\$ 400,000.00
★ Net Surplus	<u>6,723,211.44</u>
★ SURPLUS TO POLICYHOLDERS	<u>7,123,211.44</u>
	<u>\$15,762,771.46</u>

★ On the basis of December 31st, 1937 market quotations for all bonds and stocks owned, the total Admitted Assets would be increased to \$16,928,525.36, the Net Surplus to \$7,888,965.34 and the SURPLUS TO POLICYHOLDERS to \$8,288,965.34.



SECURITY *plus* LIQUIDITY



The NATIONAL UNDERWRITER

Forty-second Year—No. 9

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 3, 1938

\$4.00 Per Year, 20 Cents a Copy

See 50 Million As Inland Marine Volume in 1937

Practically All Companies Returned Increases in the Line for the Year

Inland marine people are much interested in analyzing the experience figures for 1937, as they come out. Practically all of the companies are returning increases in premiums from this department. The few decreases are attributable to the taking of corrective measures on the part of companies, to improve the experience. Some companies engaged in a housecleaning, canceling much undesirable business from New York City and other loss breeding centers and canceling undesirable classifications.

The total inland marine writings in 1936 were in the neighborhood of \$37,000,000. Preliminary figures indicate that the overall increase for 1937 will be in the range of 25 percent. That means that the total inland marine writings for 1937 may amount to something like \$50,000,000.

Personal Property Floater

A good part of the increase in inland marine writings for 1937 is undoubtedly attributable to a flood of personal property floater risks being written on the three-year term basis in view of the fact that the Inland Marine Underwriters Association gave its permission to apply the term rule to that class of business. That being true, it is likely that for 1937, the net written premiums will be considerably greater than the earned premium.

A good many of the seasoned marine executives are becoming uneasy due to the prospect of intensified and multiplied competition. In the past year or so perhaps a dozen companies have opened new marine departments. Some of the mutual companies are beginning to get interested in inland marine and there is quite a non-I. M. U. A. market at present. The progress of the Transportation, which has just been organized by the Continental Casualty, will be watched with interest. This company intends to specialize in marine covers.

Say Opportunities Exaggerated

Some company executives believe that the opportunities in the inland marine field have been exaggerated and over emphasized. Fifty million dollars in premiums divided among 300 or so companies is not after all such a great prize, they say. A good many of the inland marine lines that are substantial premium producers, are troublesome and there is general anxiety lest the personal property floater itself fall a crop.

Some observers say that a good many agents are beginning to get impervious to the importunities of the many inland marine special agents that are beating the bushes throughout the country. An

(CONTINUED ON PAGE 42)

Standings of the Premium Leaders for '37 Given

Standings of the 35 leading fire companies in point of premium writings at the end of 1937 are shown in the "Argus Fire Charts" published by THE NATIONAL UNDERWRITER, which are now in process of compilation.

Here are the changes at a glance: The Home has an increase of \$8,500,000 in premiums and \$7,100,000 in losses. All companies show an upward trend in premium income.

Aetna Fire, with a premium increase of \$6,100,000, goes into fifth place. The

Fire Association gained in ranking.

Phoenix of Hartford advances two places. North British goes up a notch. National Liberty goes up three places, with an increase of \$1,000,000 in premiums. Commercial Union appears among the first 30 companies.

General Exchange premiums dropped from \$31,462,932 in 1936 and its losses increased from \$12,169,230.

The effect of automobile finance writings is reflected in many of the changes.

	1937 Premiums	1937 Losses	Rank in 1937	Rank in 1936	Rank in 1935	Rank in 1934	Rank in 1933	Rank in 1932	Rank in 1931	Rank in 1930	Rank in 1929
Home	\$65,046,913	\$28,829,855	1	1	1	1	1	1	1	1	1
Hartford	35,067,819	13,287,197	2	2	2	2	2	2	2	2	2
General Exch.	29,788,160	17,402,199	3	3	4	6	13	18	14	20	18
North America	24,836,097	9,235,360	4	4	3	3	3	3	4	4	4
Aetna Fire	23,259,507	8,243,498	5	6	6	5	5	6	6	6	5
Continental	20,590,606	7,789,130	6	5	5	4	4	4	5	5	6
Fireman's Fund	16,461,315	7,161,919	7	7	7	8	9	10	9	10	10
National	15,559,611	6,278,989	8	8	9	10	10	8	8	8	8
Fidel-Phoenix	15,398,273	5,799,333	9	9	8	7	6	7	7	7	7
Great Amer.	13,418,636	5,254,455	10	10	11	9	8	9	10	9	9
American	13,197,117	5,229,701	11	11	12	12	7	11	13	14	15
Travelers	13,017,450	4,015,136	12	12	15	15	15	16	19	25	27
Sprgld. F. & M.	12,789,294	4,912,186	13	13	13	13	14	12	11	11	12
Automobile, Ct.	12,506,550	4,540,286	14	15	18	21	23	28	28	30	32
Firemen's	12,296,975	4,372,926	15	14	14	14	11	14	20	27	23
St. Paul F. & M.	12,078,969	5,142,077	16	16	10	11	12	13	12	12	13
U. S. Fire	9,798,155	3,586,631	17	17	16	16	16	15	15	15	14
Fire Association	9,153,060	4,494,158	18	19	21	17	21	21	23	17	20
Royal	8,888,693	3,226,445	19	18	17	18	17	17	17	16	16
Phoenix, Ct.	8,802,145	3,106,428	20	22	20	20	19	20	18	18	17
L. & L. & G.	8,706,735	3,138,931	21	20	19	19	18	19	16	19	18
Franklin	8,542,817	3,563,118	22	21	31	32	36	29	31	32	39
Pearl	8,254,830	3,178,409	23	23	22	28	34	..	..	..	..
Natl. Union	7,356,637	3,045,253	24	24	25	24	25	31	21	13	11
North British	7,118,597	2,706,141	25	26	23	22	20	27	26	29	26
Queen	6,935,857	2,523,019	26	25	24	23	22	23	24	24	24
Natl. Liberty	6,858,653	2,555,880	27	30	33	31	30	24	29	29	20
Glens Falls	6,788,755	2,499,210	28	27	26	25	26	30	27	28	28
Westchester	6,212,836	2,522,185	29	29	27	26	24	22	30	31	29
Coml. Un. Eng.	6,015,133	2,232,968	30	31	29	30	28	25	26	26	27
Swiss Reins.	5,984,096	2,122,229	31	32	28	27	27	47	75	69	52
Prov. Wash.	5,932,128	2,331,704	32	34	32	35	33	38	37	36	35
General Wash.	5,901,150	1,869,872	33	35	35	41	63	63	..	..	64
North River	5,891,465	2,303,817	34	28	30	29	27	26	22	23	22
Camden	5,769,535	2,320,230	35	33	33	37	35	40	39	40	44

Aetna Fire Group Officials in Western Conference

SAN FRANCISCO—W. Ross McCain, president Aetna Fire, World F. & M. and Century Indemnity and J. W. Russell, vice-president of these companies, are expected to arrive in San Francisco March 8 for a three-day conference with Pacific coast executives, department heads and fieldmen of the companies in that territory, March 9-11. H. F. Mills, Pacific Coast manager, will preside. A banquet will conclude the conference.

Many Program Features

Among those on the program, in addition to executives will be: W. F. Fotheringham and C. M. Marshall, assistant managers; L. N. Brainerd, special agent, Portland; G. H. Heissner, Jr., and Marshall Rankin, special agents, Los Angeles; S. A. Livingston, of the Mathews & Livingston general agency; R. T. Williams, special agent, Sacramento; B. B. Smith, special agent, Fresno; C. V. Templeton, special agent, Great Falls, Mont.; H. B. Murray, special agent, San Francisco; L. C. Abbott, superintendent automobile department; H. S. Shafer, special agent Los Angeles; M. F. Colopy, superintendent inland marine department; R. H. Green, special agent,

San Francisco; A. Fryer, of Rockwood Sprinkler Co.; C. D. Wentworth, special agent, Spokane, and G. S. Mariner, general adjuster.

Accompanied by Mrs. McCain and Mrs. Russell, the officials made the trip to the Pacific Coast via Panama Canal and are being met at Los Angeles by Mr. Mills. Following the San Francisco conference, Mr. and Mrs. McCain will return to the home offices, Mr. and Mrs. Russell making the return trip via Grand Canyon.

Mr. Mills has just returned from southern California where he accompanied T. F. Buchanan, secretary and general adjuster, who has now returned to the home office.

R. J. Dunkle, Jr., to Head Office

R. J. Dunkle, Jr., fire manager of the North America in its New York office, is being transferred to the home office where he will devote his attention to country-wide fire protection activities. C. P. Butler continues in charge of the fire department in New York.

Texas O. K.'s Extended Cover

Use of the extended coverage endorsement has been approved by the Texas board of insurance commissioners, effective March 1.

Golden Jubilee Western Branch of National Fire

President Layton Compares Situation Today with That of 50 Years Ago

In connection with the 50th anniversary of the establishment of the western department of the National Fire of Hartford, a jubilee dinner of all the field men and executives was held in Chicago Tuesday night. President F. D. Layton, addressing the nearly 100 men present, contrasted conditions in 1888 with those today. "That was a day of tall stiff collars and tall stiff drinks. Mustaches were long and full and studs, pins and rings were flashy. Women's styles called for hour-glass figures that bulged above into leg o'mutton sleeves and below into bustles and dust catching skirts. In 1888 there were a few more than 5,000 telephones in all Chicago. Now there are nearly 1,000,000. There was no University of Chicago 50 years ago, and the Armour Institute, the Field Museum, the great Columbian Exposition were still no more than dreams.

Early Fire Fighting Difficulties

"In May, 1888, a prominent agent of Omaha complained that due to the recent establishment of a local stamping office, which relieved agents of really having to know their business, there were 43 agents in that city, whereas two years before there had been only 11.

"Probably the most notable event in the history of the National Fire was the dispatching on Jan. 6, 1888, of President James Nichols' letter announcing the re-insurance of the Washington F. & M., and the employment of F. S. James as manager of our western department. In the first offices of the department Mr. James and his staff occupied less than 1,500 square feet. Today our extremely attractive and efficient offices in the Insurance Exchange building occupy more than 27,000 square feet. In 1888 the premiums of the western department were a little over \$500,000. Our average volume over the 50 years has been more than 11 times the premiums of that first year. The premiums for business written during the entire 50 years are more than \$250,000,000.

Tribute to Fred S. James

"There were giants in those days, and Fred S. James was one of them. He had a rugged, impressive, direct personality and few could resist his leadership. His native ability, plus his powers of observation and care and judgment, enabled him to grow to the point where he was considered one of the ablest men of his time in insurance. Yet he was not tradition bound; in fact, it was exercising his initiative and resourcefulness on new problems and experiments that gave him his greatest satisfaction. Even only 50 years ago there were many new paths

(CONTINUED ON PAGE 42)

Cincinnati Board Century Jubilee to Be Celebrated

Ceremonies Will Center in an Anniversary Banquet to Be Given April 18

CINCINNATI—On April 18, a historic event will be observed in Cincinnati when the Cincinnati Fire Underwriters Association gives a dinner in observance of its 100th anniversary. The association is able to trace back its history unbrokenly to April, 1838, when the General Board of Underwriters was organized with John P. Foote as president, Walter Goodman, treasurer, and Ephraim Robbins, secretary. The counsellors were Mr. Robbins, John Young, and Thomas Newell. The association is the oldest of its kind in the country and it is fitting that Cincinnati, the cradle of insurance in the west, should have that distinction. This year also marks the 150th anniversary of the first permanent settlement at Cincinnati made by a group of men who moored their flatboats at the foot of what is now Sycamore street in December, 1788. The settlement, known as Losantiville, was renamed Cincinnati by General St. Clair, governor of the Northwest territory, in 1790, who named it after the organization of revolutionary war officers known as the Cincinnati. Erection of Fort Washington in 1789-1790 near the settlement fixed Cincinnati's position as a future metropolis.

Satisfactory Settlement Place

The broad Mill creek valley with abundant level ground just above the high water line made an ideal place for a settlement and probably would have been settled earlier had it not been for the fact that southern Ohio was occupied by the fierce Shawnee tribe. In 1785 Fort Finney was built at the mouth of the Big Miami river and in 1786 a treaty was made with the Shawnees at the fort which took them out of Ohio and paved the way for settlement of that area. A great westward tide of emigration flowed past Cincinnati down the Ohio river and with the invention of the steamboat, the city became of increasing commercial importance and grew rapidly.

In 1816 the first local insurance company, the Cincinnati, with \$500,000 authorized capital, was established on Nov. 25. William Barr was president and John Jolley secretary. That year marked the beginning of a period extending nearly up to the 20th century when Cincinnati was the insurance center of the west. After the organization of the Cincinnati, there was little interest in the formation of local companies until about 1825. A Louisville company had a monopoly of the Cincinnati business, its profits were enormous, and its stock became very valuable. In 1826 the Ohio was organized with \$250,000 capital and \$500,000 authorized capital. Other companies were organized rapidly within the next few years, the earlier companies being the Cincinnati Equitable, which is still in existence, writing perpetual policies, 1827; a new Cincinnati, 1829; Firemen's, 1832; Washington, Fire Department, Canal, 1836; Miami Valley, 1837; Merchants & Manufacturers, Commercial, 1838; Eagle, 1850; Clermont County Fire, Marine & Life, changed to Citizens in 1858, National, 1851; Western, 1854; Union, 1855, known originally as Mercantile of Covington, name being changed in 1859; German Mutual, 1858; Sun Mutual, 1862; Eureka Fire & Marine, Germania Fire

(CONTINUED ON LAST PAGE)

National Board Decides Against Ohio Litigation

Field Men Will File Information as to Countersignatures Demanded by Department

COLUMBUS, O. — According to John A. Lloyd, secretary Ohio Association of Insurance Agents, J. H. Doyle, general counsel of the National Board, has notified the Ohio department that the National Board has decided that the field men of its companies would file the information it desires relative to the field men's activities under the foreign brokers' and resident agents' law. The department had cited about 70 field men, who had not filed the information, to appear before the department March 7, at which time it would decide whether their licenses would be revoked. Those agents who file with the department before March 7 will not have to appear.

There had been reports that the National Board intended to file suits to test the constitutionality of both the foreign brokers law and the resident agents act. It has developed that one of the field men ordered by the department to report on March 7 has been dead for some time. Mr. Doyle was in Columbus a few days ago and conferred with the department and Edmonds & Harter, Ohio counsel for the board, but no decision was reached, according to Mr. Lloyd, until after Mr. Doyle returned to New York.

DOYLE ADVISES COMPLIANCE

NEW YORK—On the advice of J. H. Doyle, special agents in Ohio of all

General Agents Body Sets Date of Meeting

The annual meeting of the American Association of Insurance General Agents will be held May 5-7 at Grove Park Inn, Asheville, N. C. Unfortunately this comes at the same week as the mid-year meeting of the National Association of Insurance Agents at Hot Springs, Ark. The National association meeting this years comes later than has been the custom. The general agents association decided on its date some time ago. The members of the American association join with the North Carolina Association of Insurance Agents whose annual gathering immediately follows the former at Asheville.

member companies are complying with the request of Superintendent Bowen that a list of all policies covering on Ohio business and countersigned by them, be filed with the department before March 7. Such action relieves them from appearing at the department office as formerly directed by the superintendent. Filings, Mr. Doyle stated, may be made either directly with the superintendent or through Edmonds & Harter, who will make the filings to protect their interests.

The agency operated by F. O. Bechtol at New Port Richey, Fla., for a number of years has been taken over by the Beckett Realty Company and will be managed by E. L. Hoadley.

W. H. Ames, Houston local agent for many years, died at the age of 80.

Cincinnati Agents Heard Three Men Treat Insurance

C. D. McVay, R. D. Safford and E. D. Lawson Gave Information of Value

CINCINNATI—Aspects of selling fire and allied lines were discussed by three speakers at a meeting for agents and solicitors sponsored by the Cincinnati Fire Underwriters Association and Business Development committee, of which W. J. Gilsdorf, North America, is state chairman. The speakers were C. D. McVay, vice-president Ohio Farmers; R. D. Safford, vice-president Travelers Fire, and E. D. Lawson, manager western marine department Fireman's Fund.

Agents should stand by the things which have proved their soundness over the test of years, said Mr. McVay, those which have been justified by the fires of experience. Progress has come from the energy and ambition of individual men and women, freedom being achieved in a long battle by free capitalistic enterprise in a free society. Payrolls are large when profits are good.

Fire Insurance Cost Decreases

Insurance protection is necessary for commerce and industry. The cost of living and government have been rising continually, whereas the nation's fire insurance bill has been consistently decreasing throughout the past 25 years. The average Ohio fire insurance rate dropped from 1.13 per \$100 in 1900 to 53 cents in 1936, and the average national rate has been reduced similarly. Between 1930-1936 the average rate for Ohio was 57 cents, Mr. McVay said, the lowest of any state in the Union.

The insurance companies have met every obligation and have promoted better building construction, eliminating the causes of disaster, have standardized policies, developed uniform forms, efficient fire fighting, and scientific rating. The agency system has demonstrated its soundness and the agent is an independent factor having a recognized property right in his renewals. A lowering service and increasing cost to the public and government insurance is the logical results of doing away with the agency system, Mr. McVay declared.

Address of R. D. Safford

Robert D. Safford, vice-president Travelers Fire, in his address, observed that agents today are no longer confining their activities to the selling of the odd policy here and there but rather are devoting as a basic principle, their time and energy to the building of a clientele whose insurance interests they propose to look after just as a professional man takes care of the social and economic ills of his clients. "Certainly," he said, "the successful agent builds on the long haul basis and so serves his clients' needs that his name is synonymous with protector."

Mr. Safford had a good word to say for the marine coverages. The inland marine line, he declared, is a great clientele builder and affords almost as easy an entree to the other fellow's office as accident insurance.

Imagination and curiosity are necessary for successful inland marine production. The agent who sees an armored car on the street should undertake to ascertain the customers of that armored car service. Such customers are prospects for armored car and messenger insurance and for registered mail. A good agent never passes a laundry, dyer or cleaners establishment without think-

(CONTINUED ON LAST PAGE)

THE WEEK IN INSURANCE

Western department of the National of Hartford is celebrating its 50th anniversary. **Page 3**

Much interest is taken in analyzing the 1937 results in the inland marine field. **Page 3**

National Board decides to defer to the wishes of the Ohio department and field men of its companies will file the countersigning information desired by the department. **Page 4**

Companies lose another round in the Missouri rate case, the Missouri supreme court denying a rehearing from an adverse decision of the 16 2/3 percent rate increase case. **Page 6**

New farm schedule for the western states has now been introduced in Iowa and will be made effective in other jurisdictions as rapidly as possible. **Page 5**

Cincinnati local agents heard three company officials give valuable information. **Page 4**

Cincinnati Fire Underwriters Association will celebrate its 100th anniversary April 18. **Page 4**

Rockwood Hosmer, prominent Chicago agent and an important factor in the Illinois Association of Insurance Agents, is dead. **Page 12**

Plan for defining and controlling surplus line business of Illinois placed in London Lloyds adopted by new brokers' association; C. W. Weisz named chairman. **Page 5**

Southern Agents Conference petitions Southeastern Underwriters Association for 15 percent contingent commission. **Page 16**

New Canadian aviation insurance pool is formed. **Page 10**

Chemical hazard to property and lives in plant fires increasing, T. A. Fleming of National Board tells Eastern Safety Conference. **Page 12**

Fortieth anniversary of the founding of the Maryland Casualty was celebrated at its home office this week. **Page 34**

Mrs. Bessie Street Coburn of Memphis, Tenn., makes some interesting observations on the life and character of her brother, the late Charles R. Street.

vice-president and western manager of the Great American. **Page 8**

The joint legislative committee on the New York insurance code revision is now putting it into final form for introduction in the legislature. **Page 12**

Minimum tariff for brick mercantile risks published by Chicago Board. **Page 6**

The Continental Casualty has tendered its resignation to the National Bureau of Casualty & Surety Underwriters. **Page 21**

The possibility exists that a pool for writing long haul truck insurance may be set up within a month or so by the leading stock companies. **Page 21**

R. I. Catlin, vice-president Aetna Casualty, in talks to agents, says safe driver reward plan is only the first step in a broad program in the automobile insurance field. **Page 23**

Conference is held by the National Conservation Bureau with engineers of the casualty companies. **Page 22**

Detroit Automobile Inter-Insurance Exchange increases its property damage, public liability and collision rates and decreases its dividend returns to policyholders. **Page 22**

Forces of country are aligned by General Solicitor Parrish of Central Index Bureau, New York, in determined drive against claim fakers. **Page 24**

Annual meeting of Insurance Federation of Illinois is featured by an address by Ray Murphy. **Page 23**

National Safety Council reports 106,000 accidental deaths in 1937. Total down, auto victims increase. **Page 21**

Manager William Leslie, National Bureau of Casualty & Surety Underwriters, calls attention to an error made by Chief Magistrate Schurman of New York City on automobile liability rates. **Page 22**

C. E. Meek, Jr., of Paterson, N. J., president New Jersey Association of Underwriters, gives a summary of the administration's work since the annual meeting. **Page 40**

Program is announced for the semi-annual meeting of the New Jersey Association of Underwriters in Trenton. **Page 40**

Surplus Line Plan for Illinois Is Voted by Brokers

Weisz of Shaw & Co. Is Chairman of Organization Controlling London Lloyds

Constitution and proposed rules and regulations outlining basic principles for writing surplus lines in London Lloyds in Illinois were adopted at a meeting of the Surplus Line Brokers Association in Chicago, at which officers for the ensuing year were elected.

C. W. Weisz, president of A. F. Shaw & Co., was elected chairman. On the executive committee were elected J. P. Bowes of Bowes & Co., R. M. Cunningham of Marsh & McLennan, H. E. Reeves of Joyce & Co., and E. J. Schaffer of Fred S. James & Co., all of Chicago. D. J. Kadyk, secretary of the association, also was elected treasurer.

The new constitution and rules are subject to approval by Insurance Director Ernest Palmer of Illinois. He was furnished a copy which is being considered by the department.

Define "Surplus Line"

The rules seek to define what is a "surplus line" and how this necessary business is to be handled so that excesses such as have developed in this business in the past will not occur. While the association is independent, it will serve as a medium for regulating this business, not only through the authority of the insurance director, but also through the power of the attorney-in-fact for London Lloyds in Illinois, John S. Lord.

The statement of principles sets forth that all questions involving violation or alleged violation of section 445 of the code shall be considered by the association on the basis of whether or not there has been any violation of the following principles:

(1) The code section relating to surplus line license is designed to grant a preference to insurers authorized in Illinois and insurance coverage or contracts may not be placed with any unauthorized insurer unless and until the broker is licensed under the section, after diligent effort and inability to secure such policies from companies licensed in Illinois.

Procedure Stipulated

(2) The section is designed to provide a medium through which Illinois citizens may obtain some unauthorized insurers' policies or insurance contracts which they need but are unable to procure from authorized companies. The insurance may be procured from unauthorized insurers where the only available market for the required insurance consists of an admitted carrier which is not satisfactory to the insurance buyer or a group of admitted carriers which by agreement among themselves requires a premium that appears to be exorbitant.

(3) The section requires collection of a tax on premiums for insurance placed with unauthorized insurers. This tax is to be paid by the agent or broker licensed under the section to the state of Illinois, Feb. 1 and Aug. 1, each year, in the amount of 2 percent of gross premiums less return premiums on all surplus line business procured by him during the six months period ending Dec. 31 and June 30 preceding the payment date.

(4) Policies or contracts which originated with brokers, agents and solicitors licensed as such but not as surplus line

(CONTINUED ON PAGE 42)

New Farm Schedule Is Now Introduced in the West

Already Effective in Iowa—New Premium Payment Plan Now Available

The new farm schedule has now become effective in Iowa and it has been filed in Illinois. The program contemplates introducing the new schedule as rapidly as possible in other western states. A new farm form is being introduced at the same time.

The changes are decidedly in the direction of liberalization and simplicity. The general principles of the changes were made known to the field a few weeks ago and the program is popular with the agents.

New Premium Payment Plan

An additional plan for payment of premium is made available. It is known as the "short instalment plan." One-fourth of the premium is to be collected in cash or by a three-months note and a note taken for the balance of three-fourths, one-fourth to mature 10 months from the inception date of the policy, one-fourth in 17 months and one-fourth in 24 months. There is no interest charge. This plan has been available in Wisconsin and is known as the Wisconsin plan. It gives the assured the option to pay up sooner and the rate is less than for the long instalment plan. The rate for the short instalment plan is about 10 percent higher than for the five year cash rate. The rate for the long instalment note plan is about 20 percent higher than the five year cash rate.

The extended coverage endorsement, being made available for farm risks, is published in the new Iowa farm schedule.

Livestock Rules Changed

The livestock rules have been materially changed giving broader and more simplified coverage. Permission is given for writing increased limits on various grades of farm livestock. Heretofore there has been one class of ordinary livestock. Now there are three classes, known as average grade, extra grade and fancy grade.

So far as grain insurance is concerned, the pro rata clause is eliminated and coverage may now be granted in a flat amount on grain regardless of where it is located. The hay rule is revised, with elimination of the provision of a limit of not exceeding 20 percent of the total insurance and never more than \$750 liability on hay.

The farm machinery rules have been revised and simplified. These changes are prompted by changes in the new farm form which permits broader coverage on farm machinery. In the past much of the machinery, including ensilage cutters, hay balers, gasoline engines, etc., had to be written under specific items on each machine. Under the new farm form, blanket coverage is granted under one item except that tractors must be written under a separate item. Many regard the revision of the farm machinery items as the most important change in the new farm form.

General Agents Are Exempt

The internal revenue department has held that general agents of the Great American group are independent contractors and not employees within the provisions of the social security act. The company submitted a memorandum of the status of their general agents. Undoubtedly general agents of other companies will be regarded as in the same category.

Mutual Agents Pick Baltimore

The National Association of Mutual Insurance Agents will hold its annual convention at the Lord Baltimore Hotel in Baltimore Sept. 21-23. C. C. Jennings of Baltimore is president.

Assistant Manager Is Retiring from Business



DEAN H. DRESSER, Chicago

D. H. Dresser of Chicago, senior assistant western manager of the National Fire of Hartford group, is retiring from active business life this week after serving the company faithfully for many years. He has always been a hard worker, conscientious and faithful to every trust. He has made no plans for the future. Following the death of Mrs. Dresser he took up his residence at the Union League Club in Chicago.

Details Being Consummated

Vice-president Simpson of the Transportation Is Busily Engaged in Getting Prepared for Operating

Vice-president Roger Simpson of the Transportation, the new company being promoted by the Continental Casualty in Chicago, is now busily engaged in preparing supplies and getting papers prepared for application for license in a number of states. The Illinois department has made an examination and a license is expected any day. The main business to be first gotten will be personal property floater which will include burglary thus giving Continental Casualty agents the opportunity of getting this business in competition with inland marine companies. Casualty companies have been losing their residence burglary risks particularly because they were not able to give the other coverages which the inland marine departments could offer. The Transportation can write fire and theft coverage for automobiles which in connection with the Continental Casualty and National Casualty will afford the opportunity to agents to give full coverage.

Inconsistency Is Alleged

The fact that in most of the middle western states, a minimum premium requirement of \$3 is applicable to the fire portion of the contract alone and the premium developed from the supplemental contract may not be used to fill up the minimum is being questioned in some quarters on theoretical grounds. The point is made that the supplemental contract is conceived as an indivisible coverage and that the setting up of a minimum premium for one portion of the contract does violence to the theory of unity. It is not an important practical matter, because the amounts involved are very small, but it may be that the rating authorities in due time will change the rule in the interest of inconsistency.

J. Burr Taylor of the Western Actuarial Bureau addressed the Women's Club at Alexis, Ill.

Big Claimants Fight for Assets of Defunct MLU

Walgreen, Pearl, Rankin-Benedict, Participating Subscribers in Battle

KANSAS CITY—Four of the large claims filed against the defunct Manufacturing Lumbermen's Underwriters represent interesting views of the nature of a reciprocal.

The firm of Howell & Jacobs has filed between 800 and 900 claims in blank for participating subscribers, practically all of whom are lumbermen, and they represent the bulk of the assessable class of subscribers.

Contention of the claims is that the premium deposit less the 20 percent for the attorney-in-fact and other expenses was available for the payment of losses, but that the balance of the premium deposit is the individual fund of the subscriber, and is a trust fund under the terms of the power of attorney.

Says Commingling Unauthorized

Howell & Jacobs assert that the advisory committee did not authorize the commingling of non-assessable and participating funds for the payment of losses of non-participating business, and that the attorney-in-fact did commingle such funds unlawfully. Besides, no action of the advisory committee could, by the terms of the power of attorney, conflict with any provisions of the contract which creates the assessable subscribers' funds a trust.

The funds in the hands of the superintendent are "impressed with a trust for the whole amount to which the claimant is entitled," and the exchange has in the hands of the superintendent of insurance more than sufficient to pay the claimant in full and the claims of all other preferred claimants, the claim says.

Howell & Jacobs ask the claims with interest; that the funds due the claimant be determined not to be assets of the exchange for any purpose but should be paid to the claimant free from any charges whatsoever, or that the amount due to claimant be declared a trust fund which has been unlawfully and without authority commingled with the funds of all other subscribers and be declared a preferred claim against the assets so commingled, and paid, together with the claims of other assessable and participating subscribers, before any other claims against the assets are paid.

Asks Segregation of Business

The petition asks determination of the amount of premium deposits at the exchange on May 1, 1933, which is about the time MLU began writing non-participating business. The petition asks that the two classes of business be segregated as to amount, expense chargeable against each, etc., and that the court adjudge that the premium deposits paid by participating subscribers are chargeable with expenses, losses and commissions of that class only; also, that the court adjudge that if there is any deficiency created by claims against the non-participating business, the funds of participating subscribers shall not be used to make up the deficiency, and that the nonassessable and nonparticipating subscribers "are not entitled to any unearned premiums."

The Pearl has filed a "prior" claim for \$243,487, which includes "damages for breach of contract." Losses, return premiums and other claims total \$217,106; damages, \$26,300. Though the reinsurance agreement between MLU and

(CONTINUED ON PAGE 47)

Companies Lose Another Round in Missouri Case

Petition Is Denied for Rehearing in 16 2 3% Rate Increase Litigation

JEFFERSON CITY, MO.—The Missouri escheat fund is expected to be one of the chief beneficiaries of the decision of the Missouri supreme court ordering Circuit Judge Sevier of Cole county to turn over about \$1,786,000 of excess premiums impounded by that court in connection with the state case involving the 16 2/3 percent rate increase issue to Superintendent Robertson for distribution to the policyholders.

The court entered the order which amplified its ruling of Dec. 9, declining to accept the compromise entered into by former Superintendent O'Malley and the companies in May, 1935.

The companies' request for a rehearing was denied.

The refusal of the supreme court to grant a rehearing may cause the companies to take steps, if possible, to carry the litigation to the United States Su-

preme Court. A decision on that point is expected to be made within a few days.

Attorney-general McKittrick is preparing to obtain an accounting of the premiums impounded by the Cole county court.

The supreme court held Dec. 9 that Judge Sevier never had any jurisdiction in the case and that all of his orders were "null and void" except his ruling dismissing the companies' suit.

The supreme court has also rejected the claim of D. F. Calfee, special commissioner for Judge Sevier, for a fee of \$17,500 for his work as commissioner in connection with the case. He was allowed a fee of \$35,000 by Judge Sevier, half of which was paid by companies.

Judge Sevier had allowed a total of \$135,411 in fees and expenses in connection with the collection and administration of the impounded funds.

McKittrick has taken the position that under the supreme court's ruling the depleted funds must be replenished in full, and announced that he will take whatever steps are necessary to see that every penny is returned to policyholders.

With the Missouri department in charge of the impounded funds the expenses of administration will be re-

duced. The fact that the department is the custodian will make it easier for the state to turn into its escheat fund any sums that cannot be returned to the policyholders.

Fisher and Moller Join

R. C. Fisher, who has been associated with the Fidelity & Deposit for 13 years, has resigned to enter partnership with F. D. Moller, local agent of Oakland, Cal. Mr. Fisher formerly was manager in East Bay territory for the F. & D. and more recently covered northern California territory for that company. Mr. Moller has been prominent in local agency circles of Oakland for ten years, and is a former president of the East Bay Association.

Bulletin on Nebraska Demand

General Counsel Doyle of the National Board has issued a bulletin stating that Nebraska has sent out a demand for a showing of salaries, compensation and emoluments paid by a company to each officer and director. Mr. Doyle states it will not be necessary to complete this form as the combined figures shown in the annual statement will suffice.

Announces Rates for New Chicago Classification

Brick Store Tariff Represents a Sizable Cut from Previous Levels

The minimum tariff for buildings and contents in the brick store and dwelling classification has been put into effect by the Chicago Board. Under this tariff, which replaces the old specific rates for these risks, building rates on the average will show a sizable reduction. Contents rates will be about the same as the previous average, the flat rate being higher in some cases and lower in others.

The tariff applies to buildings having brick, stone or concrete walls and combustible floors and roof, not over three stories and basement in height and not exceeding 7,500 square feet in ground floor area. Basement and ground floor must be exclusively occupied as stores or stores and dwellings and the floors above the grade floor must be exclusively occupied as offices, dwellings or flats. The eligible occupancies are listed in the tariff. Buildings not falling within this classification, or having occupancies not listed in the tariff, must be specifically rated. The tariff applies within corporate limits of cities, towns and villages having municipal fire protection graded as classes 3 to 8. The Chicago Board retains the power to publish specific rates for any risks in the tariff which are subject to extra hazardous exposure or to other undesirable conditions.

Building and Contents Rates

For third class towns the building rate is 30 cents for one story buildings, 34 cents for two story buildings and 38 cents for three story buildings. Rates are also published for towns in the other classes.

Published contents rates are for class 3 fire protection, with specified increase for the other classes. The highest contents rate is \$1.50, applying to risks such as furriers, toy and ornament stores, photograph supply and finishing houses, animal stores, etc. The lowest minimum tariff contents rate is 50 cents, for dwelling contents, offices, laboratories, plumbers supplies, waiting rooms and banks.

The 80 percent contribution clause is mandatory under this tariff.

Windstorm Rules

The windstorm tariff has been reprinted, awnings, signs, metal smokestacks and elevated tanks being included in the contents coverage with 80 percent coinsurance.

Several new forms have been published by the Chicago Board because of the new minimum tariff. A new mercantile building store and dwelling form has been prepared for use in connection with risks falling under the new brick store minimum tariff. The old mercantile dwelling form has been revised to apply only to mercantile buildings not falling under the new tariff. A stipulation for brick store and dwelling risks is now required to be attached to building policies written under the new tariff. This stipulation provides that the building during the term of the policy must be exclusively occupied on the basement and grade floors as stores or stores and dwellings and exclusively occupied on the floors above the grade floor as offices, dwellings or flats. The contents form and the stock and fixtures form have been revised to provide additional space for description of the property covered.

R. J. Davis, B. A. Murrelle and W. A. Orr of Louisville have incorporated Kenyon Insurance Service and Kenyon Adjustment Company.

F. P. Greenhaw has purchased the H. D. Glass agency, Harrison, Ark. The name has been changed to the Greenhaw Insurance Agency.

THE REINSURANCE CORPORATION OF NEW YORK

CAPITAL	\$1,530,000.00
SURPLUS	4,301,308.14
LIABILITIES	76,041.01
TOTAL ADMITTED ASSETS . .	5,907,349.15

On basis of Statement, December 31, 1937, to the New York Insurance Department. Securities carried in the Statement at \$204,909.45 are deposited as required by law.

This Corporation offers facilities which permit stock fire insurance companies to maintain their net liabilities at a conservative maximum in the event of catastrophe.

Excess of loss reinsurance of the following classes:

AUTOMOBILE FIRE TORNADO
HAIL EARTHQUAKE
SUPPLEMENTAL COVERS
TRANSPORTATION
GENERAL COVER

and all other lines, except ocean marine, written by the stock fire insurance companies.

Participating treaties and facultative covers of the following classes:

FINE ARTS JEWELRY FLOATERS
PERSONAL EFFECTS TRANSPORTATION
MOTOR TRUCK CARGO
PERSONAL FURS PERSONAL PROPERTY
INLAND WATER-BORNE HULLS AND CARGO

and all other classes of inland marine risks written by the stock fire insurance companies.

Sole Underwriting Manager

THE EXCESS MANAGEMENT CORPORATION

116 JOHN STREET, NEW YORK, N. Y.

Inquiries from all duly licensed brokers and agents invited



America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
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and Indemnity Group

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BERNARD M. CULVER, President
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New York, N.Y.

NEW YORK

CHICAGO

SAN FRANCISCO

ATLANTA

DALLAS

MONTREAL

My Brother, Charles R. Street, and His Early Career

By Bessie Street Coburn

My brother, Charles R. Street, was born shortly after the Civil War. As our parents had suffered from lack of training for laborious usefulness we children were early schooled along lines of industry and required to do our part in the carrying of responsibility. My brother was held as an example of what every boy and man should be. He was fond of reading and enjoyed good books. The "Youth's Companion" came weekly to our home and there were other more mature publications, all of which he devoured. One of my earliest recollections is having to be quiet

already at hand. On the plantation we had sheep, cattle, hogs, fruits of all kinds and vegetables but best of all lovely flowers, the loveliest I have ever seen. Our mother was a graduate of Miss Porter's School in Farmington, Conn., and our grandmother graduated from the Hartford, Conn., Female Seminary. I have both diplomas in my possession and have visited Miss Porter's School.

My father was instrumental in establishing the Agricultural & Mechanical College of Mississippi. To encourage boys to go to a state college, Charles R. Street was enrolled and made a fine

Mrs. Bessie Street Coburn, now residing in the Hotel Tennessee at Memphis, is a sister of the late Charles R. Street, vice-president and western manager of the Great American. At the request of The National Underwriter Mrs. Coburn has set down some of her early recollections of her brother and some comment on his later activities, giving at the same time a picture of the background of his youthful environment and the character of his parents. Mrs. Coburn herself was an insurance woman, being secretary and manager of the Merchants Union of Jackson, Miss. No other officer had any other part in the actual management after her father's death. The unfolding of Mr. Street's underlying characteristics forms a most intriguing study of this man of contrasts, interesting attributes and many sided personality.

while he read aloud or my mother read to us around the living room lamp with the logs blazing in the fireplace.

We had many Negro servants and there were many Negroes on our plantation under a white manager. During my father's absence my brother very early was put in charge of all the activities. He had to keep correct reports of what was being done. My father being so much in public life, our home was more than the usual hospitable one and great generosity was manifested. There was always a pantry full of food and hospitality was genuine. We did not know whether we would have the governor of Mississippi, a man selling a load of wood or the bishop for a meal. However, there was always plenty to eat and folks were welcomed with outstretched hands. Money was not much thought of. The things money could buy were

record. In the first class to graduate were such men as Blewett Lee of Columbus, Miss., later general counsel of the Illinois Central in Chicago; Dr. W. A. Evans, the health columnist, from Aberdeen, Miss., who gained a wide reputation in Chicago; James White of West Point, Miss., who was president of the First National Bank of West Point, Miss. While my brother was in college, the plantation was put under the management of an uncle and in 1882 a lovely home was built for us in Meridian, Miss. It was at this place that Charles R. Street took charge of the local agency our father had started in connection with his special agency work. He was special agent of the Phenix of Brooklyn for four or five southern states.

When Charles R. Street went to Chicago he got a position under Manager

(CONTINUED ON PAGE 47)

Ohio Department Seeks to Amend Premium Tax Law

COLUMBUS—As a result of the decision of the United States Supreme Court in the California-Connecticut General case and the receipt of numerous requests for information as to its attitude, the Ohio department is trying to have introduced in the assembly an amendment to section 5433 of the Ohio code relative to the tax on the gross premiums of foreign insurers. The department would strike out the clause "paid for reinsurance in companies admitted to do business in the state," and substitute for this "received for reinsurance" and make the section continue as follows: "and charge such amount to such company as a tax upon the business done by it in this state for the period shown by the annual statement. All taxes so collected shall be credited to the general revenue fund of the state." It is said that this change would remove double taxation in this respect on the life companies.

Because the Ohio law permits no deductions the tax in Ohio is almost the highest in the United States. In a letter received by the department a few days ago from an insurance company in New York, it was pointed out that New York is obliged to collect tax on premiums under the catch-all provision of section 187 of the New York tax law. This would result in double liability, it is claimed, if the company is forced to pay in both New York and Ohio. The change will not take effect this year, even should the legislature amend the law. The legislature being in special session, special permission must be obtained to introduce the proposed amendment.

Oklahoma Auto Finance Rule

OKLAHOMA CITY—The Oklahoma department Tuesday issued the following ruling effective April 1: "All insurance companies writing coverage in Oklahoma on automobiles that are financed shall furnish every person insured under such contracts with a policy or certificate giving complete information as to the type of coverage, amount of liability thereunder, amount of premium and term of the contract."

Dean Dresser Retiring from Active Business

He Joined the Western Department of the National Fire 47 Years Ago

Dean H. Dresser, for nearly 47 years with the western department of the National Fire of Hartford, will voluntarily retire, effective immediately, it was announced by President F. D. Layton and Manager George H. Bell, at the jubilee dinner, celebrating the 50th anniversary of the founding of the department, this week.

Mr. Dresser was born and raised in the insurance business. When he was born his father, J. M. Dresser, arranged with Mark Howard, the first president of the National of Hartford, to have Dean join that company when he had completed his education. Indeed, Mr. Dresser's middle name was after that of Mark Howard. After his education at the public schools of LaFayette, Ind., and a course at Purdue, Mr. Dresser joined the western department Oct. 5, 1891, and he has actively served that organization for a longer period than any other man. Starting with general office work in 1891, in the latter part of 1892 he became a loss clerk. On the first day of 1893 he was made assistant examiner and three years later examiner.

Started in Field Work

In April, 1899, he went into the field as special agent in Ohio. A year and a quarter later, having secured that field experience so essential to competent underwriting, he returned to the head office in Chicago as an examiner. In January 1920 he was made agency superintendent, and a little over a year later he was named assistant manager.

In announcing Mr. Dresser's retirement, President Layton paid him high praise for his long and faithful service. He said: "Advising and helping young men and young women, Dean Dresser has carved for himself a second career, possible only to a man of his kindness and his character."

Following Mr. Layton's talk, Comptroller W. E. Roadifer, who joined the National only a few months after Mr. Dresser, presented him with a beautifully bound leather book, in which were the signatures, on parchment, of every employee of the western department.

Mr. Dresser's Response

Replying to this tribute, Mr. Dresser told about the state of the company and the insurance business when he joined it on Oct. 5, 1891.

"The offices of the National Fire in 1891 were in the insurance center of Chicago," he said, "which was the Bryan block at the corner of LaSalle and Monroe streets, where the Northern Trust Co. now stands. I was the 20th employee to join our western department staff, in contrast to the 300 now needed. Among us now are only three graduates of those Bryan block offices, who have served the National Fire continuously since that time. They are Comptroller W. E. Roadifer, Wisconsin State Agent L. L. Neuberg and Chief Account Checker Edward Myers. The insurance business was limited in those days; we wrote only two kinds of policies, fire and tornado, yet despite that limitation, the business of our western department doubled from a little over a \$500,000 to more than \$1,000,000 in five years—from 1888 to 1903."

Hail Adjusters Meet

Hail adjusters of Texas met in Dallas to discuss the situation following the bad season last year. Insurance on Texas crops was estimated to have been about \$500,000 in 1937, little of this, however, being carried in the Dallas area. E. R. Smith presided at the meeting.

FIGURES FROM DECEMBER 31, 1937 STATEMENTS

	Assets	Changes in Assets	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dep.	Surplus	Changes in Surplus	Net Prems.	Losses Paid	Loss Ratio
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Albany	2,540,309	-219,454	563,766	+18,540	1,000,000	789,577	-336,340	561,158	238,470	42.5
Allstate Fire	812,235	+114,326	210,044	+59,058	250,000	227,274	+4,752	451,977	137,043	30.3
Anchor	2,506,064	-268,111	563,695	+52,670	1,000,000	782,761	-316,144	676,752	257,745	38.0
Atlas Assurance	6,109,062	-809,952	3,087,336	+67,470	400,000	1,806,654	-1,126,242	3,258,057	1,413,840	43.4
Baltica	2,327,563	+137,275	999,596	+177,690	200,000	947,731	-52,745	1,035,740	377,325	36.4
Blue Ridge Fire	184,932					51,742	-20,957			
Caledonian	3,518,363	-114,961	1,524,399	-85,789	400,000	1,356,122	-186,168	1,456,361	626,834	43.0
Caledonian-American	1,626,876	-119,445	306,523	+11,860	200,000	1,075,789	-112,338	263,675	92,034	34.9
California	5,284,213	-215,938	1,470,172	+7,740	1,000,000	2,321,440	-248,691	1,397,682	541,301	38.8
Canadian Fire (U. S. Br.)	735,489	+39,922	124,226	+14,600	250,000	198,732	+5,974	138,089	49,043	35.5
Commerce	3,947,412	-1,011,954	1,398,705	+218,985	1,000,000	1,320,675	-98,969	1,403,211	489,460	34.9
Eagle Fire, N. J.	2,639,420	-184,866	1,097,509	+363,687	815,000	445,769	-606,052	1,375,097	451,038	32.8
Export	808,403	+60,678	13,432	-1,838	400,000	322,835	+53,924	105,481	5,390	5.1
Fidelity & Guaranty Fire	6,601,177	+65,757	3,402,136	+448,699	1,000,000	1,558,499	-442,194	4,169,988	1,640,548	39.3
French Union & Universal	1,432,795	-515,607	489,490	-110,589	200,000	596,517	-433,227	405,495	247,594	61.0
Glens Falls	17,804,440	-3,188,606	6,561,640	+437,139	2,500,000	6,591,820	-3,673,516	6,788,755	2,409,210	35.5
Granite State Fire	4,258,307	-96,429	1,323,154	+75,158	1,000,000	1,767,877	-168,746	1,206,913	489,666	40.6
Houston F. & C.	562,180	+225,205			250,000	225,478	+127,249	69,076	16,388	23.7
Indemnity Marine	1,062,692	+23,814	120,717	+3,962	200,000	519,613	+5,082	372,450	190,838	51.2
International	5,925,388	-1,017,924	1,620,237	+142,159	1,000,000	2,881,324	-1,169,120	1,690,050	639,237	37.8
Jupiter General	807,953	+7,185	298,120	+22,440	200,000	267,809	-23,180	248,810	95,023	38.3
Merchants Fire, Col.	2,569,219	+189,103	1,082,000	+107,955	200,000	813,395	+36,957	1,014,992	351,967	34.6
Millers National	6,367,827	+143,013	2,734,775	+242,180	1,000,000	1,486,877	99,549	3,521,424	1,266,418	35.9
National Grange Fire	342,247	+13,354	28,243	+15,911	200,000	105,563	-2,528	50,682	5,588	11.0
Netherlands	1,723,714	+74,666	412,217	+52,762	200,000	1,066,359	+21,138	391,195	109,493	27.9
North China	928,599	-211,410	20,233	+1,666	400,000	456,715	-217,656	80,759	42,419	52.5
North Star	4,119,072	-334,086	1,587,948	+584,134	600,000	1,650,849	-166,919	1,817,192	562,711	30.9
Pacific Natl. Fire	6,053,607	+215,380	3,155,610	+917,640	1,250,000	1,928,968	-635,731	3,517,498	1,197,370	34.0
Patriotic	2,544,843	-172,237	514,284	-15,534	1,000,000	877,111	-172,989	557,943	263,364	47.2
Penn-Liberty	215,167	+65,167	2,800	+2,800	110,000	95,041	+45,041	3,633	500	13.7
Potomac	4,787,332	+228,010	1,761,086	+159,457	1,000,000	1,496,662	+104,168	2,057,355	813,709	39.5
Preferred Risk Fire	718,656	-4,522	292,987	+39,976	200,000	192,168	-52,720	327,766	110,773	33.8
Providence Washington	14,337,741	-1,925,161	4,529,207	+255,972	3,000,000	5,284,541	-2,295,433	5,932,128	2,331,704	39.4
Queen City Fire	188,221	+2,441			100,000	35,752	-422	119,319	41,233	34.5
St. Louis Fire & Marine	616,669	+30,889	174,290	-34,377	250,000	151,653	+13,591	425,842	160,888	37.7
Skandinavisk	2,059,320	-45,701	819,155	-12,036	200,000	824,565	-202,723	834,111	403,645	48.4
Sun	6,780,346	-918,521	3,171,653	+55,362	400,000	2,329,692	-1,079,546	3,287,475	1,371,797	41.4
Sun Underwriters	1,634,188	-78,436	446,732	+9,527	600,000	441,708	-161,818	472,994	202,254	42.8
Thames & Mersey Marine	1,237,377	+9,137	112,073	+11,692	200,000	602,248	-45,244	453,306	229,972	50.7
Union of Indiana	801,574	-21,033	342,904	+42,498	200,000	80,104	-53,439	690,103	312,975	45.3
Union & Phenix Espanol	1,687,180	-34,855	723,557	-84,785	200,000	574,094	+50,320	681,664	338,569	51.1
Urbaine Fire	1,610,139	-267,444	489,617	-111,844	200,000	727,300	-221,092	405,371	246,577	60.8
Virginia F. & M.	2,654,567	-342,729	625,063	+32,155	1,000,000	934,590	-374,172	615,898	195,773	31.7
Zurich Fire	1,143,010	+29,647			200,000	585,525	-27,672	632,640	288,750	45.6

¹Including expense.

²Includes \$197,954 loss adjustment expense.

³Market values on bonds increase assets and surplus by \$36,017.

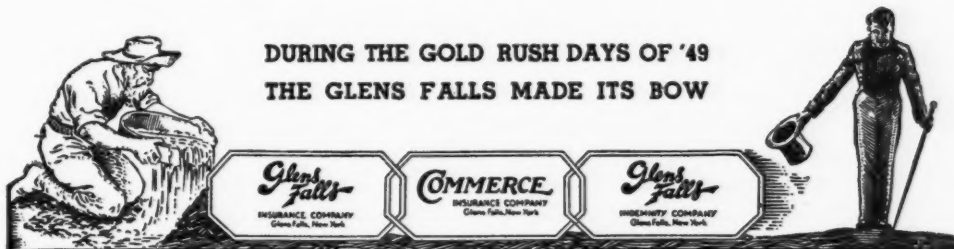
⁴All business reinsured.



Photo by
Ewing Galloway

Don't cry over spilled milk

Every successful insurance agent knows that he cannot afford to worry over losing a good customer. He must remember and practice the advice of that old adage—"Don't cry over spilled milk." . . . He must constantly strive to reduce the quantity of "spilled milk" and right here we can be of assistance. The widespread popularity of our survey forms, good will builders and direct advertising proves that they help materially in keeping old customers. Furthermore they reduce sales resistance and increase the ratio of sales to interviews. We know that we can help you solve your problems. Drop us a line and let's talk it over.



Southern Agents Ask For Contingent Commissions

Proposition Presented to S. E. U. A. Following Meeting of Agents Conference

ATLANTA—The matter of contingent commissions came squarely back into the picture in the southeast when the Southern Agents Conference presented a concrete proposition to the Southeastern Underwriters Association, involving certain changes in commissions payable on fire, tornado and allied lines.

Twenty-three agents representing the six states in the conference met here and with Charles L. Gandy of Birmingham presiding drew up a petition which was later presented to the conference committee of the S. E. U. A.

The agents asked for a contingent commission of 15 percent, paid on an annual basis, and computed on company net profits after deduction is made for taxes, acquisition costs, home office and other usual expenses, losses paid and claim expenses.

Penalty for Delinquency

In order to show a willingness to cooperate with the companies to the end that economies may be effected, the agents also proposed a commission penalty of 2½ percent on all delinquent agency balance checks. Furthermore they offered to adjust losses for the companies without charge where desired.

Based on an average cost factor of 50 percent and a loss ratio of 30 percent, the contingent commission payable to agents would be only 3 percent, the agents pointed out in their petition. But small as it is, added to the usual 20 percent commission paid, the petition asserted it would "mean the difference between breaking even and a margin of profit in hundreds of agencies."

The agents asserted that they did not think 23 percent "an exorbitant price for the companies to pay for a clean net profit of 20 percent on all business written in the southeastern states," especially where the country-wide average of commissions paid is 26.5 percent.

Make Agents "Loss Conscious"

The argument was also presented that the contingency commission will make agents more "loss conscious," that they will inspect risks more thoroughly and more often and thus relieve the companies of some of the underwriting burden.

"Fire insurance premiums in this territory are on the decline, whereas casualty and surety premiums are on the constant increase," said the agents' petition. "This may be accounted for by the fact that the fire commission is flat 20 percent, while the average casualty and surety commission is 24 percent plus, in addition to which the casualty and surety companies make a common practice of sharing their profits with conscientious agents through the medium of contingent commissions."

"In addition to the element of fairness the contingent commission principle is altogether sound and unassailable. It already has the approval of scores of outstanding fire insurance companies, as evidenced by the contingent commission contracts of fire insurance general agents and department managers. Casualty and surety companies make no secret of the fact that their major profits come from those agents to whom they pay contingent commissions."

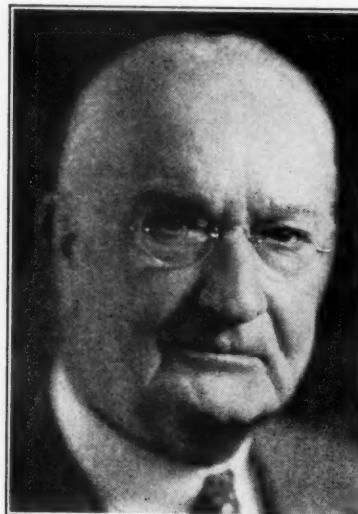
Agents signing the petition in the name of the Southern Agents Conference included Hamilton C. Arnall of Newnan, Ga., acting for Chairman McAlister Carson of Charlotte, N. C.; Stuart Ragland for the Virginia association; Tom O'Berry, vice-president of the North Carolina association; James Woodside, president of the South Carolina association; Irwin Wootton, secretary Georgia association; A. C. Eiffer,

Celebrating Fiftieth Jubilee



COL. FRANK D. LAYTON
President

The National Fire of Hartford this week is celebrating the 50th anniversary of the establishment of the western branch with Fred S. James as general agent at Chicago. President F. D. Layton is present from the home office accompanied by Advertising Manager Jarvis Woolverton Mason. Western Man-



GEORGE H. BELL
Western Manager

ager George H. Bell is in charge of the meeting and presided over the banquet Tuesday evening. The National Fire's western department is one of the most active and successfully conducted offices. There was a general roundup of field men and department heads in Chicago celebrating the event.

Hartford Institute Course Has Tarbell as Lecturer

HARTFORD—T. F. Tarbell, actuary of the Travelers, presented lectures this week in two of the three courses sponsored by the Hartford Insurance Institute. He spoke on "Accounting" before those enrolled in the fire course, and on "Casualty Accounting" before the casualty group. D. C. Bowersock of Providence, marine secretary of Providence-Washington, spoke on "Motor Truck Cargo Insurance" before the marine section.

Speakers next week will include Mr. Tarbell again, who will address the casualty group Tuesday on "The Annual Statement;" W. T. Hickey of the Travelers' Hartford branch office, who will address the marine group Wednesday on "Miscellaneous Mercantile Property;" and T. D. Olmsted, assistant secretary of the Automobile, who will address the fire group Tuesday on "Collateral Lines."

Enrollment in these courses has been extremely high this year, totaling 587 in the three courses. The largest is the fire group, with 262 registered. There are 180 in the inland marine, and 145 in casualty.

manager Florida association, and L. J. Thomas, president of the Alabama association.

The S. E. U. A. is appointing a sub-committee to hold further conferences with a committee of the Agents Conference, so that any differences may be ironed out and a concrete and workable plan submitted to the S. E. U. A. at the annual executive committee meeting in June at Hot Springs, Va.

The committee of agents is composed of Charles L. Gandy, Birmingham, chairman; Tom O'Berry, North Carolina; James H. Woodside, South Carolina; Hamilton C. Arnall, Georgia; Stuart Ragland, Virginia, and Payne Midyette, Florida.

The proposal for the 15 percent contingency commission was originated by the Alabama association, which after several conferences decided to present the matter to the other states for concerted action at the Atlanta meeting.

"Breaks" Favor Better Man Says Professor Finnegan

Fire Protection Engineering Expert Cites Educational Approaches Before Insurance Club

The problem of preparation for the fire and casualty fields by means of formal or informal educational procedures, involves considerations and disciplines relating both to engineering and to business, said Prof. J. E. Finnegan of the fire protection engineering department, Armour Institute, in addressing the Insurance Club of Chicago on "Education for the Insurance Business." More than 100 members and guests attended the meeting with W. F. Kuffel, Phoenix of Hartford, presiding.

Approach to Life Work

"One approach to a life work in fire and casualty insurance is by the engineering route, exemplified in fire protection engineering courses, the other, through schools of commerce," he said. "It is probably true that the curriculum in every important school of commerce now in operation involves the assignment of a considerable amount of time to insurance problems."

The fact there are so many different means provided for the special training of people in the insurance business is an indication of clear realization that educational agencies are important and even essential, as preparation for insurance work and a means for providing specialized training and general cultural development to qualify insurance men and women for promotion, he said. "Competition for appointments and advancement is keen. Ambition, energy, industry—all are important, but a person having all of these characteristics may be handicapped with another who also has adequate general and specialized education. The number of students in colleges and universities is much greater than a generation ago," he pointed out. "A large proportion of boys and girls obtain at least a high school education. Nowadays a candidate for appointment, or promotion is in competition with others, most of whom have had a considerable amount of formal education. If he lacks that education, he is handicapped."

"Breaks" Favor Better Man

Not all schooling is obtained in schools, said Professor Finnegan. However, there are many men for whom formal school work has done little in the direction of business success or personal contentment. The "breaks" of the game are important. Whether concerned with a star third-baseman, or a business man, on the average the "breaks" will tend to be in favor of the better man, he commented. The better man is the one who devotes time, thought, and energy to the problems that confronted him yesterday; to those with which he is dealing today, and to those which will have to be met tomorrow. "By 'tomorrow' I do not mean the Wednesday that comes after a particular Tuesday, but the other more important tomorrow in which he will be holding a job involving greater opportunities and responsibilities than his occupation of today," he concluded.

Remove Surcharge

As result of a number of conferences between a committee of the California State Association, with H. J. Thilen as chairman, and a special committee of the Pacific Board, headed by William Louis, manager of the New Zealand, the 10 percent surcharge on unprotected dwellings for the past several years has been removed.

E. C. Parsons, formerly with the Batesville Insurance Agency, Batesville, Ark., who has been in insurance there 21 years, has opened a new agency in the Ward building.

Canadian Aviation Pool Is Formed; Tudhope in Charge

MONTREAL—A new aviation insurance pool, the Canadian Aviation Insurance Managers, Ltd., has been formed, membership comprising 13 Canadian and United States companies. The Canadian Aviation Insurance Managers has sole authority to accept or reject business on behalf of member companies, name rates and issue policies and binders and reinsurance covering the aviation hazard. Business is not accepted direct but only through qualified licensed agents.

All Forms But Life

The pool is prepared to provide all forms of aviation insurance except life, but including personal accident insurance covering the aviation hazard.

Direction of the pool will be under J. H. Tudhope as vice-president, who is retiring as squadron leader in the Royal Canadian Air Force. For several years he has served as inspector of airways and airports, and for the last year mainly occupied in organization of Trans-Canada Air Lines, which is making survey flights for a projected passenger service. He has a distinguished record, in 1931 being awarded the McKee trophy for having made the greatest contribution to Canadian aviation.

Other Staff Members

Mr. Tudhope will be assisted by V. B. Corbett, and, during organization period, by H. Cecil Wasson, for nine years underwriter United States Aviation Underwriters.

Chairman of the board and president and secretary, respectively, are David C. Beebe and Reed M. Chambers. Mr. Beebe is president United States Aviation Underwriters and Mr. Chambers vice-president and assistant treasurer.

Members of the pool are: British America Assurance, Western Assurance, Aetna (Fire), Automobile, Hartford, North America, Maryland Casualty, National Union, North River, Phoenix of Hartford, St. Paul, United States Fidelity & Guaranty, United States Fire.

The United States companies also belong to the United States Aircraft Insurance Group, for which United States Aviation Underwriters is manager.



ANNUAL STATEMENTS

December 31, 1937



ÆTNA LIFE INSURANCE COMPANY AND AFFILIATED COMPANIES

MORGAN B. BRAINARD, President

88th Annual Statement Ætna Life Insurance Company Capital Stock \$15,000,000

ASSETS	
Cash on hand and in banks.....	\$ 18,386,784.18
Real estate (including Home Office Building)...	38,011,810.67
Mortgage loans.....	59,484,524.91
*Bonds and stocks.....	367,860,593.65
Loans secured by policies of this Company....	70,284,678.52
Premiums in course of collection and deferred premiums.....	16,757,263.98
Interest due and accrued.....	6,433,405.66
Miscellaneous assets.....	53,269.29
Total admitted assets.....	\$577,272,330.86
LIABILITIES	
Reserve under policy contracts.....	\$491,449,250.55
Premium reserve, Accident and Liability Department.....	6,655,795.09
Reserve for claims awaiting proof and not yet due.....	11,116,615.44
Reserve for liability and workmen's compensation claims.....	12,532,000.03
Reserve for dividends payable to policyholders.....	6,902,742.66
Premiums paid in advance and other liabilities to policyholders.....	6,693,493.15
Total liability under policy contracts.....	\$535,349,896.92
Reserve for taxes not yet due.....	3,568,308.90
Miscellaneous liabilities.....	3,027,518.18
Contingency reserve.....	2,000,000.00
Total liabilities.....	\$543,945,724.00
Surplus to policyholders:	
Capital.....	\$15,000,000.00
Surplus.....	18,326,606.86
Total.....	\$33,326,606.86
Total.....	\$577,272,330.86

28th Annual Statement The Standard Fire Insurance Company Capital Stock \$1,000,000

ASSETS	
Cash on hand and in banks.....	\$ 674,844.26
*Bonds and stocks.....	4,297,064.19
Agents' balances.....	329,781.68
Interest due and accrued.....	28,764.31
Other assets.....	17,101.53
Total admitted assets.....	\$5,347,555.97
LIABILITIES	
Premium reserve.....	\$2,076,436.16
Losses in adjustment.....	153,168.83
Reserve for taxes.....	104,367.46
All other liabilities.....	55,446.58
Total liabilities.....	\$2,389,419.03
Surplus to policyholders:	
Capital.....	\$1,000,000.00
Surplus.....	1,958,136.94
Total.....	2,958,136.94
Total.....	\$5,347,555.97

31st Annual Statement The Ætna Casualty & Surety Company Capital Stock \$3,000,000

ASSETS	
Cash on hand and in banks.....	\$ 4,265,101.93
Real estate acquired by foreclosure.....	461,342.31
Mortgage loans.....	394,971.76
*Bonds and stocks.....	40,150,394.44
Premiums in collection.....	6,053,603.58
Interest due and accrued.....	228,507.66
Other assets.....	400,155.08
Total admitted assets.....	\$51,954,076.76
LIABILITIES	
Premium reserve.....	\$15,222,623.94
Losses in adjustment.....	15,192,052.22
Commission reserve.....	920,783.31
Reserve for taxes.....	1,676,936.09
All other liabilities.....	1,866,194.43
Total liabilities.....	\$34,878,589.99
Surplus to policyholders:	
Capital.....	\$ 3,000,000.00
Surplus.....	14,075,486.77
Total.....	\$17,075,486.77
Total.....	\$51,954,076.76

25th Annual Statement The Automobile Insurance Company of Hartford, Connecticut Capital Stock \$5,000,000

ASSETS	
Cash on hand and in banks.....	\$ 2,199,725.65
Real estate acquired by foreclosure.....	82,651.18
Mortgage loans.....	41,294.69
*Bonds and stocks.....	19,594,680.81
Agents' balances.....	2,021,918.40
Interest due and accrued.....	84,157.16
Other assets.....	524,554.24
Total admitted assets.....	\$24,548,982.13
LIABILITIES	
Premium reserve.....	\$ 9,028,811.54
Losses in adjustment.....	1,711,491.78
Reserve for taxes.....	611,365.40
All other liabilities.....	512,187.15
Special reserve.....	500,000.00
Total liabilities.....	\$12,363,855.87
Surplus to policyholders:	
Capital.....	\$5,000,000.00
Surplus.....	7,185,126.26
Total.....	12,185,126.26
Total.....	\$24,548,982.13

*Bonds not in default are carried at amortized values; bonds in default and stocks are carried at market values, except stocks of affiliated companies which are carried at their own book value.

Paid To Or For Policyholders Since Organization.....	\$1,687,327,089.60
Total Premium Income—All Companies—1937.....	153,696,483.48
Life Insurance In Force.....	3,956,746,669.00
Increase In Life Insurance In Force.....	229,442,114.00

Chemical Hazard in Fires Found on the Increase

Fleming of National Board Addresses Eastern Safety Congress—Milne Talks

NEWARK—More process changes in manufacturing plants have taken place since 1933 than in the preceding 15 years, T. A. Fleming, head conservation department National Board, declared in an address at the Eastern Safety Conference of New Jersey annual meeting here. By reason of many changes the fire hazard in a number of establishments has been greatly increased, creating serious menace to life and property.

Chemical Hazard

Through greater use of chemicals which either singly or in combinations are highly explosive, lives of firemen are endangered and many deaths have been caused. Mr. Fleming cited disastrous explosions that occurred in this country and Canada in recent months, including the public school disaster at New London, Tex. He warned that while communities in and about New Jersey are not subject to conditions such as those in the Texas town, many are menaced by escaping gases of various kinds.

Mr. Fleming urged that authorities carefully inspect all buildings with especial attention to plants using chemicals in manufacturing processes.

Milne on Floods

W. D. Milne, assistant manager Eastern Underwriters Inspection Bureau, discussed floods and fire protection. The owner of a plant which may be inundated or isolated by floods, he said, would do well to consider possibilities of loss resulting therefrom to buildings and structures, damage to contents in buildings or yards, interruption of power, heat and light, impairment of fire protection, notably automatic sprinkler protection and damage from fires in his own or neighboring property resulting from hazards created by flooding.

Mr. Milne recited measures by which each hazard could be met most effectively. He has studied flood conditions and resulting fire hazard for the last two years.

Study Business Development

Classes for study of the Business Development program have been organized in various sections of California under sponsorship of local agents' groups and special agents' associations. Under direction of E. M. Northup, Great American and Phoenix of Hartford and H. G. Gableman, Seelye & Co., chairmen of the north coast activities for the Northern-Central California Special Agents' Association, organization of classes at Napa and Vallejo has been completed. These classes will meet weekly for next ten weeks to study "Facts and Comments." Similar groups are being organized in southern California. Recently Frank Daugherty, Los Angeles manager of Seelye & Co., addressed the Redlands association. Classes also are being held regularly each week in Oakland under sponsorship of the East Bay association.

Agents Awarded Certificates

TOLEDO, O.—In recognition of 25 years' service with the National Liberty two Toledo insurance men, W. F. Schmitt, of Theodore Schmitt Co., and Frank Showel, of Showel-Schmitt Co., were awarded service certificates.

MUTUAL FIRE REPORTS FOR 1937

	Cash Assets*	Unearned Premiums	Cash* Surplus	Cash Income	Net Losses Paid	Total Cash Income	Total Disb.
Cit. Fund Mut., Minn.	559,115	236,752	236,451	280,294	124,763	322,978	319,863
Donegal & Con. M., Pa.	226,477	149,039	216,094	183,541	44,901	166,112	138,269
Farm. Mut. Fire, Del.	513,269	42,328	440,546	62,645	14,593	89,647	68,522
Fitchburg Mutual....	734,620	467,690	230,157	525,237	163,598	562,004	534,141
Grain Dealers Natl....	3,715,788	1,549,286	1,545,000	2,446,743	845,918	2,579,456	2,377,867
Impl. Dirs. M., N. D.	793,279	384,193	351,814	593,456	193,464	614,078	560,322
Lowell Mutual.....	308,337	211,689	85,943	209,154	57,938	221,758	174,701
Midland Mut., Kan....	440,876	266,265	170,727	202,840	75,075	233,038	191,080
Mut. F., M. & I., Pa.	3,076,188	432,783	2,218,426	355,942	283,922	477,192	425,040
Mut. of Germant'n. Pa.	3,385,558	97,607	3,141,730	52,500	3,453	247,485	199,270
New York Cent. Mut.	449,931	243,283	147,656	275,193	111,827	286,241	258,378
Norfolk & Ded. Mut.	1,689,641	430,845	1,237,200	286,253	112,887	352,224	297,984
Northw. Mut., Wash.	7,683,068	4,812,818	2,247,196	6,505,809	1,914,783	6,896,724	5,877,018
Penn. Mut. Fire.....	815,329	309,648	491,186	319,162	83,312	370,323	249,900
Perkionon Val. M., Pa.	174,292	79,686	80,015	113,454	62,345	118,604	113,903
Pioneer Co-operative..	272,685	94,547	172,998	131,631	44,774	142,444	104,509
Protective Fire, Neb.	146,852	34,180	110,338	82,404	23,477	87,703	86,511
St. Paul Mut.....	105,611	7,736	95,967	99,078	36,396	105,942	99,173
Union Fire, Neb.....	424,716	181,201	223,334	312,048	151,945	328,618	326,618
Union Mut., R. I.....	1,337,854	690,474	570,503	592,979	185,349	868,693	759,335
Utica Fire.....	325,584	165,884	135,715	184,499	81,803	194,357	172,990
Western Mut., Ia.....	380,776	196,533	141,501	412,443	137,322	426,815	358,126
Worcester Mfrs.....	2,171,307	923,263	1,167,899	916,135	75,463	1,035,979	958,695
RECIPROCALLS AND LLOYDS							
Druggists Indem.....	281,354	35,263	235,516	96,321	24,400	104,135	93,906
Lloyds of Minn.....	1,723,830	478,748	938,754	987,897	472,459	1,075,460	942,051
Reciprocal Exch., Mo.	1,546,663	564,279	885,117	704,295	415,950	764,490	887,696

*Does not include notes and policyholders' contingent liability.
†Includes \$100,000 voluntary reserve.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

W. F. DOOLEY IS HONORED

William F. Dooley, vice-president of the America Fore, observed his 25th anniversary with the organization March 1. He was the guest of honor at a special luncheon. With remarks appropriate to the occasion, Vice-president F. A. Christensen presented Mr. Dooley a gold medal and a handsome clock, a special token of esteem from some of his associates.

Mr. Dooley in 1899 went with George O. Carpenter & Sons of Boston, general agents for the St. Paul Fire & Marine. With them he successively became loss clerk, general agency manager and special agent for the entire New England field. In 1913 he joined the America Fore as a special agent for the American Eagle. He covered at various times all of New England and in addition for a time supervised the Continental's business in Boston.

Going to the home office in 1921, he was appointed agency superintendent for the Continental in charge of New York and New England business. The following year he was made assistant secretary and a year later, secretary. In 1929 he was elected vice-president.

He has been chairman of the rules committee of the New York Fire Insurance Rating Organization for the last year and for the past four years was chairman of the governing committee. He also has been prominent in the activities of the Eastern Underwriters Association for many years.

PREPARE THE FINAL DRAFT

From Albany comes word that members of the joint legislative committee on the insurance code revision is working at top speed to make such corrections, additions and deletions to the tentative draft that has been before it since last September, and which has been the subject of a series of public hearings in New York City, Syracuse and Albany, as seem wise in the light of the information gleaned at these hearings. The code, as finally approved by the committee, will be printed and submitted to the legislature. It is reported 2,000 copies of the edition in its new form will be printed, and as was true of the tentative draft, circulated among all those persons legitimately interested. As the legislature plans adjournment about the middle of March, action on the code at this session is deemed highly improbable, but the submission of the bill will insure its consideration when the 1939 session convenes.

While the committee is understood to have made a number of changes in the original code draft, the undesirability of

certain provisions having been made clear at conferences between the members, department officials and underwriters, the exact nature and extent of the alterations finally endorsed will not be known until the revised edition has been printed and circulated.

LILLY RETURNS TO HEADQUARTERS

G. W. Lilly, general manager Fire Companies Adjustment Bureau, is back in New York City after attending the roundup at Dallas of representatives of the bureau in the southwestern jurisdiction, which embraces Texas, Oklahoma, Louisiana and Arkansas. T. C. McCurdy is the divisional manager.

UNEARNED PREMIUM TABLES

The Recording & Statistical Corporation, executive offices, 102 Maiden Lane, New York City, has issued, in most attractive format, a useful booklet—"Unearned Premium Calculating Tables." The tables are for desk use, size 7 1/2 x 11 1/4, and include two tables—terms to five years inclusive, and terms six to ten years. They are most valuable in calculating insurance reserves and are meeting with a welcoming response from both fire companies and state insurance departments. The issue is complimentary.

ENDORSE LIFE MEN'S POSITION

The Brooklyn Insurance Brokers Association, Bronx Insurance Men's Association, Independent Brokers Association of Brooklyn and the General Brokers Association of the metropolitan district in New York City have all endorsed the position of the New York State Life Underwriters Association concerning the bills before the New York legislature to create a system of savings banks life insurance. The state association opposed a subsidized system and approved the recommendations of Superintendent Pink.

ANNIVERSARY LUNCHEON

The 37th anniversary luncheon of the New York Insurance Society was held last week in New York City. President W. E. McKell presided. The chief speaker was Chief Magistrate J. G. Schurman, Jr., of the New York City magistrate court.

INSURANCE MEN COOPERATE

Thirty-six insurance men have joined with other business, employe and welfare leaders of the city in sponsoring a program for the financing and coordination of more than 800 private health and welfare agencies in New York City, ac-

Rockwood Hosmer, Distinctive Figure in Illinois Insurance, Is Dead

Rockwood Hosmer, vice-president of R. W. Hosmer & Co., Chicago, who died last Saturday morning in St. Francis Hospital, Evanston, Ill., was a man who had impressed himself prominently and distinctively on the insurance business in Illinois. Of rather short stature, he was a man of tremendous girth and was a familiar and always a welcome figure. He was a man of social disposition and wanted to be in the



ROCKWOOD HOSMER

midst of congenial companionship. He had a brilliant sense of humor that was somewhat Rabelaisian, and at the same time he had a genuine fineness of feeling that manifested itself on frequent occasions. He delighted in telling or hearing a good story, reciting a piece of verse or composing one and when his risibilities were affected, he would chuckle systemically so that every ounce of him seemed to vibrate.

About two months ago Mr. Hosmer became afflicted with bronchitis. He went to the hospital, but got out of his sick bed to make the speech of presentation of a handsomely bound copy of the Illinois insurance code to Insurance Director Palmer of Illinois. This affair was under the auspices of the Insurance Federation of Illinois. He did not recover from the affliction, but kept going until last Thursday when he went to the hospital. His heart gave out Saturday morning.

National Councilor in Illinois

Mr. Hosmer at the time of his death was national councillor of the Illinois Association of Insurance Agents. He served as president of that organization in 1931 and was reelected for a second term. Then he served for two years as chairman of the board. Subsequently he became chairman of the legislative committee. While the Illinois insurance code proposal was before the Illinois legislature, Mr. Hosmer gave practically all his attention to the task of putting the code across. He exerted a great influence in behalf of the code, indeed, he may have been the deciding factor.

Mr. Hosmer apparently enjoyed this legislative work to the utmost. He liked the excitement of it and enjoyed fraternizing with legislators and camp followers at the capital. For a Chicagoan he displayed unusual interest in down state affairs and at the annual meeting of the Insurance Federation of Illinois on Monday of this week over which Mr. Hosmer was to have pre-

(CONTINUED ON LAST PAGE)

According to an announcement by J. G. Blaine, president of the Marine Midland Trust Co. and president of the newly formed Greater New York Fund, Inc.

Is this the way
you buy
insurance?

Telling Your Story to 1,250,000 prospects *Every Month*

The value of the insurance agent — the importance of his service — the safety in buying from him — there in a nutshell is the theme of our national advertising. And through this advertising

campaign we are praising the agent's service to more than one million prospects each month. Prospects you want to sell. Men and women who have homes and children. Good, stable prospects for fire, automobile, accident, residence boiler, sports, jewelry, burglary and all the other types of insurance written by The Employers' Group.

The Employers' Group, comprising The Employers' Liability Assurance Corporation Ltd. — the world's pioneer in liability insurance — The Employers' Fire Insurance Company and the American Employers' Insurance Company writes practically all kinds of insurance except life, including fidelity and surety bonds.

THE
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NEWS OF FIELD MEN

Joint Meet at Greensboro for Virginia, Carolinas

RICHMOND, VA.—R. C. Rice, most loyal gander of the Virginia Blue Goose, will head a delegation of members which will go to Greensboro, N. C., for a joint meeting March 10 with the Carolinas pond. It will be purely a social and fellowship affair, according to Mr. Rice who is Virginia state agent for the Phoenix of London with Richmond headquarters. S. L. Smith is most loyal gander of the Carolinas pond. He is a member of the firm of W. H. Smith & Son, North Carolina general agency.

The Virginia pond is planning to hold a dinner dance April 1 in Richmond.

Hargis in Field Work

James O. Hargis, Jr., has been appointed special agent of the Pacific National Fire with headquarters in Atlanta. John P. Holmes is executive special agent. Mr. Hargis will serve the fire department as well as inland marine. This is the first appointment made following the establishment of an inland marine southern department. Mr. Hargis for six years has been with the fire department and four years with the inland marine department in the southern office of the Hartford Fire. During the last year he has been connected with the Dunlap Insurance Agency at Atlanta.

North America Field Rallies

A series of conferences of field men in the western department of the North America with western department executives is now in progress. The first was held in Columbus Monday and Tuesday for Ohio field men while the field men from Indiana, southern Illinois, Kentucky, and Tennessee are meeting in Indianapolis Thursday and Friday. From the Chicago office at these meetings are General Manager W. P. Robertson and Assistant Managers V. L. Montgomery, Arthur Moyer, and Walter Millar.

Next week meetings are to be held in Kansas City and Minneapolis and Assistant Manager Richard Osgood will take the place of Mr. Montgomery.

North British Conference

PHILADELPHIA—The second section of Middle Department field men of the North British & Mercantile group began a three-day meeting here Tuesday, with Secretary R. T. Stewart in charge; General Agent E. A. Merkl serving as chief lieutenant. Attending the gathering, in addition to the two officers named, are Secretary T. M. Patterson and Assistant Secretary H. A. Carl.

Fire Prevention Meetings

The Kansas Fire Prevention Association will conduct an inspection of Bonner Springs, March 16. Members of the organization will make talks.

The Illinois State Fire Prevention Association will conduct an inspection of La Salle March 23. J. B. Taylor of the Western Actuarial Bureau will be the principal speaker.

There will be an inspection at Elgin April 21 with Mr. Taylor as the principal speaker and an inspection of Sterling and Rock Falls May 12 with H. K. Rogers of the Western Actuarial Bureau as the speaker.

The Nebraska Fire Prevention Association will inspect Columbus Thursday of next week. H. K. Rogers of the Western Actuarial Bureau will make the principal address.

The Michigan Fire Prevention Association will conduct a survey at Battle Creek, March 23-24. The Battle Creek Association of Insurance Agents will join with other organizations in promoting the campaign. R. E. Vernor, Western Actuarial Bureau, will be the

chief speaker at a banquet. "Smoky" Rogers will put on his fire clown act before the first six grade pupils in public and parochial schools.

About 60 field men, the largest attendance in ten years, participated in the inspection of Sedalia, Mo. H. K. Rogers spoke in the schools and at the luncheon with about 175 attending. Superintendent Robertson and several others from the department attended the dinner.

The Ohio Fire Prevention Association inspected Warren, O., Tuesday. H. K. Rogers, Western Actuarial Bureau, Chicago, spoke.

The Minnesota Fire Prevention Association inspected Waseca, Minn., Feb. 24. An inspection for Moorhead is scheduled on March 23.

The Kentucky Fire Prevention Association inspected Paris March 2.

Back Building Code Bill

BOSTON.—The Bay State Club is actively supporting the bill calling for a new building code for Boston, now before the committee on mercantile affairs of the Massachusetts legislature. Members are urging all agents throughout the state to exert themselves on behalf of the bill.

The club will be addressed at its meeting March 11 by W. J. West, chief of the eastern division of the federal bureau of criminal investigation.

H. H. Hirsch to Retire

H. H. Hirsch, state agent in Louisiana for the American, will retire as of April 1. He has reached the retirement age of 65. He has been state agent for the last 12 years.

Southern California Dinner Dance

The Southern California Blue Goose held a Washington's birthday dinner with more than 125 couples attending. The proceeds will be used to help defray the expenses of entertaining the grand

Enters Field Work for Millers National



H. E. HOLTZ

H. E. Holtz succeeds George C. Hoffman as Kansas-Missouri state agent for the Millers National. Mr. Holtz has been an underwriter in the Chicago home office for the past 18 years. His insurance experience goes back to 1912 when he started as office boy with the Connecticut Fire. A year later he went with the Firemen's and seven years later joined Millers National.

The Holtz family will move to a city centrally located in the territory after June 1. In the meantime Mr. Holtz' headquarters will be Chicago.

nest there in August. Convention committees named by Chairman McKinney are hard at work.

Iowa Pond Hears Pew

Insurance Commissioner Pew of Iowa was the principal speaker at this week's luncheon meeting of the Iowa Blue Goose. It was a joint meeting attended also by members of the Casualty & Surety Club of Des Moines.

Commissioner Pew explained some of the details of examining an insurance company, showing how his office cooperates with other departments in convention examinations.

Hold Washington Jamboree

The Chesapeake Blue Goose held a Washington Jamboree in the national capital. There were no speeches, the program consisting of vaudeville acts by accomplished entertainers. Harry Burns was in charge of arrangements.

New York City Pond Meeting

A beefsteak dinner and the facilities of the Feigenspan Brewery of Newark, N. J., will feature the meeting of the New York City Blue Goose, March 16, arrangements for which have been perfected by W. B. Rearden, executive vice president Firemen's of Newark. The main business to be considered will be a report by a special committee proposing change in the name of the pond to the New York-New Jersey pond.

Fleming to Give Address

SYRACUSE, N. Y.—T. A. Fleming of the National Board will address members of the Syracuse Field Club and the Syracuse Underwriters Exchange at a dinner meeting next Monday evening. The following day Mr. Fleming will speak before the Syracuse Credit Men's Association.

Honor Wisconsin Veterans

At a dinner meeting of the Wisconsin Blue Goose in Milwaukee, 25-year buttons were presented to the older members by R. A. Kenzel, Northern Assurance, grand welder. About 30 ganders received buttons.

Hear Health Director

Dr. J. C. Geiger, director of the department of public health of San Francisco, spoke on health conditions in San Francisco as compared with similar conditions in the south sea islands before the San Francisco Blue Goose. A. M. Brown, Jr., of Edward Brown & Sons, was chairman.

Eagle Star Rally March 7

NEW YORK—Field men of the Eagle Star will gather in this city for a four day conference the week of March 7. Direction of the sessions will be in the hands of H. G. Casper, United States manager.

Tracy in Western New York

Special Agent C. S. Tracy is now supervising the business of the Connecticut Fire, Equitable F. & M., and Minneapolis F. & M. in western New York. His temporary address will be 7 West Seneca street, Buffalo. He joined the staff in 1920. After several years in the office, he was assigned to field work.

Minnesota Pond Annual Meet

The annual meeting of the Minnesota Blue Goose will be held March 14 in Minneapolis. A dancing party was staged by the pond in St. Paul Feb. 28.

Fire Association Field Changes

Albert J. Ruth is transferred by the Fire Association group from the northwestern Pennsylvania field to western Pennsylvania to succeed Walter E. Volbrecht, resigned. Mr. Ruth has been in the employ of the Fire Association group since 1921 and has successfully filled at various times increasingly important positions. W. Austin

Riches, who for several years has traveled eastern Pennsylvania territory, operating from the head office, is transferred to Wilkes-Barre to succeed Mr. Ruth in northeastern Pennsylvania.

Hubbard B. D. Chairman

DETROIT—J. F. Rogers, North America, president Michigan Fire Underwriters Association, has appointed Clarence Hubbard of Edleman & Hubbard, state agents Home, chairman of the Business Development committee to work with the agents' committee under J. W. Mundus of Ann Arbor.

Promote Fire Waste Contest

DETROIT—Members of the Michigan Fire Prevention Association are covering the state on behalf of the National Fire Waste contest, developing interest in the various communities. J. R. Baker, Grand Rapids, National Union, heads the committee for the western half of the state and Clarence Hubbard of Edleman & Hubbard, Home fleet, Detroit, in eastern Michigan.

J. C. Buchanan Arranges Program

LOS ANGELES—J. C. Buchanan, most loyal grand gander, has arranged an elaborate program of entertainment for the California Blue Goose to be held the evening of March 4. Edward Dunn, most loyal gander of the Los Angeles pond, states plans for the forthcoming annual meeting of the Fresno puddle in April will be formulated and the grand nest meeting plans will be discussed.

Wisconsin Auxiliary Meets

The women's auxiliary of the Wisconsin Blue Goose held its monthly meeting at the home of Mrs. Raymond Gravenstine, Wauwatosa, Wis., with a luncheon and a book report by Mrs. W. J. Perkins. Hostesses were Mmes. H. L. Emmerich and E. O. Spink.

Veteran Toledo Agent Dead

AOLEDO, O.—D. T. Davies, II, 69, one of Toledo's best known insurance men, who founded the Dave Davies Insurance Agency many years ago, died after an illness of more than two years.

American's New York Changes

NEW YORK—Roger Wheelwright has resigned as assistant inland marine underwriter for Northern of London to be in charge of a new inland marine department for the American in its New York City office. A completely equipped automobile department is being set up in charge of Walter Heydon and C. M. Bowman, who has been in the New York engineering office of the North America, takes charge of the American's New York engineering department.

Sidney Kenedy on Pacific Coast

LOS ANGELES—President Sidney Kennedy of the Buffalo arrived in Los Angeles to spend several days making agency visits with Fred A. Spear, president of Spear & Co., general agents in California. The two men made a circuit of the San Diego territory, visiting Death Valley and the famed Furnace Inn. This week they spent in and around the San Francisco area, returning to Los Angeles March 4.

Jackpot Cover Violates Law

MONTGOMERY, ALA.—Insurers of theater "jackpots" are clearly in violation of Alabama's insurance laws unless the insurers are authorized companies, according to Superintendent Julian. The insuring of theater "jackpots" has developed extensively in Birmingham, Montgomery and Mobile.

Traffic Engineer for Texas

DALLAS—The Texas highway commission has created the position of traffic engineer. R. G. Waters, Texas casualty commissioner, had advocated such an appointment.

AS SEEN FROM CHICAGO

HUMMEL OPENS IN OWN NAME

W. Russell Hummel, formerly president of the General Insurance Agency, Chicago, this week opened his own office under his own name, taking commodious quarters in A-1132 Insurance Exchange in that city. The corporate structure of the General Insurance Agency is being dissolved and liquidated under Mr. Hummel's supervision. Telephone number of the W. Russell Hummel office is the same as for the General Agency, Wabash 3760. Associated with Mr. Hummel are W. T. Peters and other staff members of the older agency. All the companies formerly represented by the General Insurance Agency now are represented as general agent by Mr. Hummel. These are: Protective Indemnity, Century Indemnity, Trinity-Universal, Columbia Fire, World F. & M., American Home, and the National Liberty for marine only.

JAMES & CO. ANNUAL DINNER

Fred S. James & Co. held its annual dinner for brokers and staff members, George W. Blossom, Jr., presiding. Telegrams were read from W. E. Higbee, who is on vacation in Florida, and George Blossom, Sr., who is in California. George Blossom, Jr., noted this is the 65th year of the association of Phillips Brothers with James & Co. Samuel Leland, Jr., head of the life department, led the singing. There was a program of entertainment made up of feats of legerdemain.

AERO UNDERWRITERS IN MOVE

Aero Underwriters has moved its branch office to Room A-1130, Insurance Exchange, Chicago. For a number of years it has been located in A-1010. The new space is larger. Raymond Norden, who has been in the New York head office for some time, has been assigned to the Chicago branch associated with Manager J. R. Graham. Mr. Norden will take over engineering and other duties.

FRANK HOLMES IN HOSPITAL

Frank F. Holmes, veteran Chicago local agent, is at St. Joseph's Hospital in Chicago. He was preparing to retire from business and was getting ready to locate in California when early in July he had an attack that felled him and he has been in hospitals ever since. Mr. Holmes was the second secretary of the National Association of Insurance Agents, succeeding the late R. S. Brannen of Denver, one of the founders of the organization. His brother, S. Perry Holmes, who now resides in Galesburg, Ill., has been in Chicago from time to time looking after his brother. Perry Holmes was one of the chief examiners in the old western department of the Continental.

PHIL COLLINS HOME FROM TRIP

Philip W. Collins, Chicago agent, has returned to his office after a cruise on the "Rex" to South America. He was accompanied by Mrs. Collins and their two children. They went as far as Rio de Janeiro.

VISIT WESTERN DEPARTMENT

Vice-president A. R. Phillips of the Great American, who spent three days at the western department in Chicago last week, has returned to the head office. He expects to return next Friday and remain a couple of weeks, getting a closer insight into the departmental work. Vice-president D. R. Ackerman, who is head of the accounting and statistical department at the head office, was at the Chicago office. Secretary Herbert Ryman has returned to Chicago and will be there for some time.

The head office is installing an accounting and statistical system as well as other office routine plans in the western department that are found at the

head office, thus coordinating the work of the company. Under Vice-president Street's administration the western office went its own way, had its own plans and system. Now that there will be a change in administration, the head office naturally desires to have the western branch system harmonize with official headquarters.

POWRIE HEADS LOSS BUREAU

A. F. Powrie, western manager Fire Association, was elected president of the Cook County Loss Adjustment Bureau at the annual meeting Monday. He takes the place left vacant by the death of C. R. Street, who was vice-president and western manager of Great American. H. A. Clark, vice-president Firemen's, was reelected vice-president of the bureau and Clark Munn continues as secretary. The directors consist of George H. Bell, National; Mr. Clark, H. M. Giles, president Millers National; Ivan Escott, vice-president Home; J. C. Harding, executive vice-president Springfield F. & M.; E. A. Henne, vice-president America Fore; Mr. Powrie, Clem E. Wheeler of Smith & Wheeler, western managers Hartford Fire; Walter Williams, president and western manager Security of New Haven, and Mr. Munn.

BLUE GOOSE DANCE DRAWS 150

About 150 attended the annual dinner dance of the Illinois Blue Goose at Chicago, Saturday evening. The affair was generally enjoyable. James E. Guy, manager automobile department America Fore, was chairman of the entertainment committee and was on hand to keep everyone in good spirits.

NEW QUESTIONNAIRE CONSIDERED

Directors of the Chicago Board are expected soon to pass upon a proposal that members be required to complete a supplementary qualification blank that would make rather searching inquiries into various features of their operations. The questionnaire would contain some pointed inquiries about commission arrangements, including inquiries about payment of office rent, etc.

ROCKWOOD COMPANY DINNER

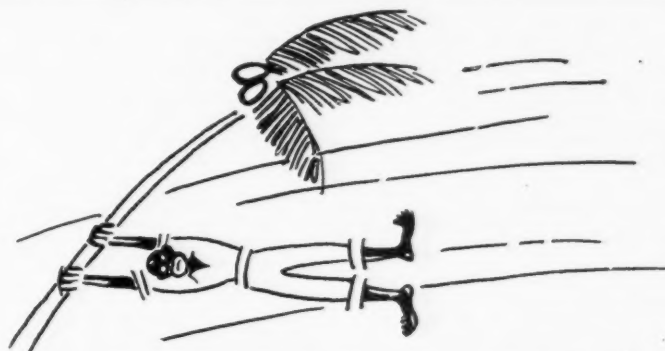
Harry W. Anderson, assistant superintendent of agencies of the Travelers, was guest of honor at the annual dinner of the Rockwood Company, Chicago agency. For many years Mr. Anderson was life department manager in the agency. This was the 30th annual dinner, being sponsored by the Rockwood Producers Club. Harold F. Peterson, club president, was in charge of arrangements. R. C. Carson, Jr., succeeded Mr. Anderson as life department manager.

Warren Baker of Chicago, chief engineer in the west for the North America, has returned from a three weeks West Indies cruise on a Furness boat.

C. T. Ingalls, manager of the Oklahoma Inspection Bureau, has been visiting in Chicago this week.

A. W. Barthelmes, marine manager at the head office of National Union Fire, was in Chicago Friday and Saturday of last week. Vice-president H. A. Yates was in Chicago this week.

J. Clifford Evans of Syracuse, N. Y., chief inspector of the New York Rating Organization, observed his 20th anniversary with that organization Tuesday of this week. He started as an employee of the rating organization soon after completion of his studies at Syracuse University in 1916. For a short time he was engaged in the advertising business, but on March 1, 1918, he started working for the rating body. A brother-in-law of Mr. Evans, H. T. Remele, is also an inspector in the Rating Organization, having been employed for 16 years.



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NEWS OF THE COMPANIES

Give Key Figures of North British Companies

The North British & Mercantile reports assets \$15,762,771 against \$15,437,782 a year ago; premium reserve is \$7,128,823 against \$6,898,000 a year ago; surplus to policyholders is \$7,123,211 against \$7,139,603. Cash and government bonds alone amount to 105 percent of premium reserve and to 87 percent of total liabilities. Surplus to policyholders is almost equal to the unearned premium reserve and is 82 percent of total liabilities. The statement shows \$1.82 of assets for every dollar of liabilities.

The Mercantile reports total assets \$7,234,013 against \$7,044,441 a year ago; premium reserve \$2,079,331 against \$2,068,910; surplus to policyholders \$4,736,068 against \$4,546,561. Cash and government bonds amount to 191 percent of premium reserve and to 159 percent of total liabilities. The statement shows \$2.89 of assets for every dollar of liabilities.

The Commonwealth has assets \$7,371,788 against \$7,298,785; premium reserve \$2,002,853 against \$1,969,358; surplus to policyholders \$4,976,311 against \$4,919,785; cash and government bonds amount to 182 percent of premium reserve and to 152 percent of total liabilities. The statement shows \$3.07 of assets for every dollar of liabilities.

The Pennsylvania has assets \$15,492,775 against \$15,573,152; premium reserve \$5,453,527 against \$5,495,031; surplus to policyholders \$9,133,911 against \$9,186,289. Cash and government bonds amount to 133 percent of premium reserve and to 114 percent of total liabilities. The statement shows \$2.43 of assets for every dollar of liabilities.

The Homeland reports assets \$3,647,345 against \$3,601,544; premium reserve \$940,679 against \$781,165; surplus to policyholders \$2,533,666 against \$2,682,042. Cash and government bonds amount to 215 percent of premium reserve and to 181 percent of total liabilities. The statement shows \$3.27 of assets for every dollar of liabilities.

New Figures of National Fire

Assets of the National Fire in the new statement are \$48,198,014 as compared with \$52,571,238 a year ago. The portfolio value declined \$6,041,482 during the year and this was compensated for by reduction of \$3,000,000 in the contingency reserve and \$2,202,482 in net surplus. The new contingency reserve is \$4,500,000 and the new net surplus is \$20,031,369.

Premiums increased 8.7 percent. The trade underwriting gain was \$1,125,732. Premium reserve increased by \$715,099 and the net underwriting gain was \$357,601.

Globe of S. D. on Stock Basis

PIERRE, S. D.—Articles of incorporation have been filed for the Globe Insurance Company of Huron, S. D., with \$250,000 capital. It is understood by the insurance department that the old Globe of Huron, a mutual, is being changed into a stock company, under the same name, the same men in the old mutual being connected with the new organization. It is reported that the stock in the new company has been sold but it has not as yet made application for license.

Glens Falls Annual Statement

The Glens Falls reported \$17,804,440 assets and \$9,091,820 surplus to policyholders. The management emphasizes that there is \$2 in assets for every \$1 of liability. The premium reserve is \$6,561,640, increase \$437,000.

Assets of the affiliated Commerce are \$3,947,412 and surplus to policyholders \$2,320,675. Premium reserve is \$1,398,705, increase \$219,000.

Returns of the Russia for 1937 Are Analyzed

HARTFORD—Net premiums of the Russia last year amounted to \$3,814,054, increase \$85,662. Net premiums written on the American business increased by \$661,814, requiring an addition of \$464,074 to premium reserve.

However, the Dec. 1, 1936, premium reserve on foreign business, amounting to \$227,770, became fully earned during 1937. Premium reserve now totals \$3,084,450. Commissions, regular and contingent, amounted to \$1,491,373. Losses incurred totaled \$1,864,581. The loss ratio on an earned basis was 52.12 percent.

Net surplus is \$923,767. With certain non-admitted assets, including excess of assets over liabilities of its foreign branch and balances due from foreign accounts, surplus was \$1,257,229, compared with \$2,396,949 at the end of 1936. This decline reflects, principally, book-keeping debit adjustments to cover a depreciation in value of securities in the amount of \$935,756, resulting from the declines in security prices during the last quarter of the year. The decline also reflects adjustments to cover changes in value of foreign exchange, additions to premium reserve, dividends paid of \$150,000, net income from investment and credit adjustments on over 90 day balances.

Liquidation of the business in the foreign offices was virtually completed during 1937. Foreign contracts were canceled as of Dec. 31, 1936, but certain delays, keeping the business alive on the books, resulted in net premiums being reported of \$250,479 and losses incurred of \$280,816. These figures reflect the effects of cancellation.

Reinsurance Corporation Reports

Assets of the Reinsurance Corporation of New York in the new statement are shown as \$5,907,349 and surplus to policyholders is \$5,831,308. President Neilson Edwards states that reinsurance contracts have been written covering more than 70 fire companies. These consist of excess of loss reinsurance of all lines written by stock fire companies except ocean marine, and participating and facultative covers of all classes of inland marine. Although no ocean marine was written in 1937, Reinsurance Corporation has accepted a small participation in the American Marine Insurance Syndicate.

The Excess Management Corporation, which is exclusive underwriting manager for Reinsurance Corporation, has now written for Reinsurance Corporation and companies associated with it under treaties, gross premiums less return premiums of about \$400,000. The writings on that basis for 1937 amount to \$223,168. Much of the reinsurance was placed with treaty companies.

In order to provide "admitted reinsurance" on a nation wide scale, Reinsurance Corporation is taking the steps to qualify in all states where such qualification is necessary and in Canada.

Interest and dividends earned amounting to \$417,727. An interim dividend of 15 cents per share was paid June 28, 1937, and a final dividend of 35 cents was paid Dec. 27.

American Pays an Extra

In addition to the regular semi-annual dividend of 25 cents, the American has declared an extra of 5 cents, both payable April 1 to stock of record March 9.

North Star Reports '37 Record

Net surplus of North Star, the fire reinsurer, now amounts to \$1,650,849. The decrease of \$166,918 is attributable to a decline in market value of securities and an increase in premium reserve of \$584,134. There was an increase of \$122,236

in net investment income and a net gain of \$118,566 from sale or maturity of ledger assets. Net premiums written amounted to \$1,817,192, increase \$709,000. Premium reserve is \$1,587,948.

COMPANY NOTES

The Reinsurance Corporation of New York has applied for a California license.

The Security National Fire Company of Galveston has been admitted to Colorado.

The Home Fire & Marine will pay the regular 50 cents per share dividend to policyholders of record March 5, on March 15.

The Birmingham Fire of Alabama has declared a dividend of 25 cents a share compared with 40 cents a share declared in the previous quarter.

Moszkovski Back from Europe

George A. Moszkovski, president American International Underwriters, director United States Life, and chairman of its foreign business committee, has returned from a four months' business trip in Europe.

Mr. Moszkovski said a good tourist season is expected during 1938. An increasing number of Americans are taking their cars to Europe. Certain of the governments there are taking steps to encourage this by eliminating red tape, reducing gasoline prices through tax exemptions, and in other ways improving facilities.

He visited settlement and claim agencies of A. I. U. and made changes in their set-up which should improve the facilities. A number of these representatives act also as local collecting or claim agencies, or both, for United States Life in connection with its world-wide service and Mr. Moszkovski predicted a substantial increase in this company's foreign business and its American-foreign business as these facilities become more widely known.

Mr. Moszkovski, who suffered from a severe eye infection during the past year, was compelled by a recurrence of this trouble, to take a month's rest during his stay and spent the time in the Austrian Alps.

Rawlings Due in Los Angeles

LOS ANGELES—Edward Rawlings, son of the late Ralph Rawlings, who was president of the Monarch Fire of Cleveland, one of the Pearl group, is expected in Los Angeles this week. Mr. Rawlings, who resigned as state agent for the Pearl in Michigan, recently aligned himself with the Dearborn National of Detroit to assume charge of its operations on the Pacific Coast.

Cron Selling Insurance

Robert Cron has been appointed agent for the Continental Assurance of Chicago at Oceanside, Cal., and will write life, health and accident lines for San Diego county south from Oceanside. He was formerly a Des Moines newspaper man and later joined the "Insurance Field," working in Louisville and Chicago.

Berryman, Hughes, Davis Join

Announcement is made of the formation of a new brokerage office consisting of Robert Berryman, Hugh H. Hughes and R. C. Davis, in the Pacific Finance building, Los Angeles. The three men have been in the general insurance business for over ten years, never associated together, but friends of many years' standing.

Adjustment Appointments Made

A service office is being opened by the Fire Companies Adjustment Bureau at Klamath Falls, Ore., with F. G. Martin, former branch superintendent of the Yakima office, as resident adjuster in charge. W. R. O'Brien is appointed resident adjuster at Riverside, Cal., succeeding J. C. Duffy, assigned to the Los Angeles office.

Minnesota Mid-year Meeting Will Be Educational One

MINNEAPOLIS—Minnesota's first mid-year meeting for agents will be conducted along educational lines and will cover a wide range of subjects. The committee in charge roughed out the program at a meeting this week and announced that the dates have been changed to March 22-23, a day ahead of the dates first set. The sessions will be at the Curtis hotel.

Inspections, insurance surveys, a discussion of auto rates, a sales clinic, undeveloped premium fields and office management are some of the topics listed for round table discussions. A special conference for rural agents will be a feature.

The meeting will open with a luncheon March 22 and will close with a dinner the evening of March 23 at which C. F. Liscomb, president of the National Association of Insurance Agents will be honored guest and chief speaker. This dinner will be sponsored by the Insurance Club of Minneapolis.

On the evening of March 22 there will be dinner for representatives of various regional associations at which problems peculiar to their field will be taken up.

Must File Commissions

Brokerage commissions must be filed with the insurance department in New Hampshire, according to a new ruling by Commissioner Rouillard, effective March 1. This applies to fire and allied lines on property located in the state. No brokerage is permitted after the effective date except in accordance with a schedule submitted to the department and on file with the New Hampshire Board of Fire Underwriters.

The new ruling supplements a ruling of the New Hampshire department dated June 1, 1934, and clarified as of Sept. 21, 1934. The new ruling applies only to the brokerage commissions allowed on fire and allied lines, the balance of the former ruling remaining in force.

Keith Made President

LOS ANGELES—The Insurance Society of Southern California has elected these officers: President, W. W. Keith, Cosgrove & Co.; vice-president, W. N. Martin, Mayly, Martin & Fay.; secretary-treasurer, Don L. Warner.

Warfield Is Radio Speaker

Henry M. Warfield of the Roloson Company, veteran Baltimore insurance leader, and president of the association of commerce there, was guest speaker at the forum March 2, telling of what the association has done for the city.

PERSONALS

A notable social event of the week was the marriage at Paris, Ky., Feb. 28, of Miss Nancy Clay Hancock of that city, to Douglas F. Cox, Jr., of West Orange, N. J. The bridegroom is vice-president of the marine managerial firm of Appleton & Cox, New York City, and son of the head of the organization.

J. W. Cook, traveling auditor United States Fidelity & Guaranty, died at his home in Baltimore. He had been with the U. S. F. & G. for a long time and never fully recovered from an accident suffered more than a year ago.

C. H. Morrill of the W. H. Markham & Co., general agency, was elected president of the board of St. Luke's Hospital, St. Louis.

V. Z. Read of Fordyce, Read & Co., of Little Rock, Ark., was married there to Miss Coradele H. Wallace.

The Insurance Girls Service Club of Los Angeles held a luncheon and bridge party recently.

EXPERIENCE 1937 BY LINES

Albany		
	Net Pmts.	Losses Pd.
Fire	\$ 402,182	\$ 151,962
Motor vehicle	124,779	74,509
Tornado-windstorm ..	25,898	6,136
Riot and explosion ..	5,816	146
Allstate Fire		
Motor vehicle	\$ 451,977	\$ 137,043
Anchor		
Fire	\$ 405,539	\$ 132,725
Ocean marine	46,780	31,822
Motor vehicle	86,899	41,298
Inland marine	109,846	44,536
Tornado-windstorm ..	23,616	6,588
Atlas Assurance		
Fire	\$2,114,316	\$ 839,632
Ocean marine	156,825	81,878
Motor vehicle	655,162	391,173
Earthquake	7,577	431
Inland marine	152,058	78,661
Tornado-windstorm ..	135,969	32,218
Sprinkler leakage ..	2,619	1,973
Riot and explosion ..	30,543	768
Aircraft	2,983	48
Baltica		
Fire	\$ 911,636	\$ 349,716
Motor vehicle	58,053	9,531
Earthquake	3,067	15,868
Tornado-windstorm ..	42,280	956
Sprinkler leakage ..	4,738	1,224
Riot and explosion ..	9,964	32
Other lines	4,972	
Caledonian		
Fire	\$1,035,922	\$ 391,409
Motor vehicle	328,831	213,513
Earthquake	6,065	3
Tornado-windstorm ..	63,660	19,722
Sprinkler leakage ..	2,485	1,291
Riot and explosion ..	15,525	875
Aircraft	2,359	27
Caledonian-American		
Fire	\$ 249,151	\$ 88,876
Tornado-windstorm ..	10,877	3,037
Riot and explosion ..	2,125	91
California		
Fire	\$1,032,417	\$ 414,963
Motor vehicle	176,935	84,027
Inland marine	34,401	11,387
Tornado-windstorm ..	91,839	26,063
Sprinkler leakage ..	3,856	1,532
Riot and explosion ..	6,690	2,398
Canadian Fire (U. S. Branch)		
Fire	\$ 69,277	\$ 23,910
Motor vehicle	67,037	25,132
Commerce		
Fire	\$ 979,265	\$ 369,978
Ocean marine	6,394	89,948
Motor vehicle	314,357	15,177
Inland marine	18,699	15,177
Tornado-windstorm ..	61,259	19,164
Sprinkler leakage ..	3,663	1,771
Riot and explosion ..	18,789	3,422
Eagle Fire, N. J.		
Fire	\$1,248,758	\$ 421,700
Motor vehicle	11,732	3,036
Earthquake	7,137	83
Tornado-windstorm ..	60,473	22,821
Sprinkler leakage ..	12,335	777
Riot and explosion ..	7,872	262
Supplemental contract	26,737	2,359
Eagle Star		
Fire	\$1,353,319	\$ 583,462
Ocean marine	444,421	286,424
Motor vehicle	210,475	128,199
Earthquake	4,630	3
Inland marine	51,859	24,840
Tornado-windstorm ..	96,422	29,655
Sprinkler leakage ..	4,439	1,904
Riot and explosion ..	14,552	1,194

(CONTINUED ON PAGE 32)

Change in Canada Agency

Geoffrey C. Ward who for six and a half years has been supervisor of the lower Ontario peninsula for the North-western Mutual Fire, has taken over the agency of E. J. Blais at St. Catharines, and will do business under the name of Peninsula Insurance Service, at 247 St. Paul St., St. Catharines, Ontario.

Sommers on Coast Trip

President Paul B. Sommers of the American is on a trip to the Pacific Coast. Last Saturday he spent in Chicago in conference with Western Manager Robe Bird.

Gets Glens Falls, Commerce

The Cavanaugh Co., Omaha, has been given the general agency of Glens Falls and Commerce for Nebraska and Kansas, including hail.

Pass Kentucky Bill Aiding Agents on Tennessee Border

LOUISVILLE—With the regular session of the Kentucky legislature planned to end this week, prior to the calling of a special session, a number of bills were rushed through the house. One bill passed by the house and previously passed by the senate would regulate the operations of agents, the measure as written permitting certain agents who have offices on the Tennessee border to do business in Kentucky as well as the border state, for instance, agents on the Tennessee border would be empowered to write insurance in both Kentucky and Tennessee, it being a reciprocal agreement merely covering a section around Fulton and a few other towns.

Knowledge of a special session to consider plans of financing Kentucky counties in payment of their bonded indebtedness, is reported to have resulted in a material improvement in prices of various county bonds within recent weeks.

Banks, insurance companies, speculators, investors and investment houses are among those who are particularly interested in seeing some action. There are some 18 Kentucky counties which have permitted their bonds to go to default, and others were facing default. The 120 counties, many of which have no bonded indebtedness, show a total of \$28,000,000 in bonds outstanding.

Two New Colorado Offices

DENVER—R. M. Hall, manager of the Rocky Mountain department of the Fire Companies Adjustment Bureau, announced the opening of two new branch offices. One is at Durango, Colo., with Resident Adjuster R. L. Banta in charge, under Branch Manager George Marron, western slope supervisor, located at Grand Junction, Colo. Mr. Banta joined the bureau March 1, 1937.

Resident Adjuster Paul D. Lee will be in charge of another branch in Trinidad, under Branch Manager Joseph Greer of Pueblo. Mr. Lee recently joined the bureau. He has been with the General Exchange for four years. Before that he was with the Western Adjustment in Chicago as an adjuster. The division now has 11 offices in the Rocky Mountain district, three in New Mexico, three in Wyoming and five in Colorado.

Ohio Meeting at Hamilton

A regional meeting of the Ohio Association of Insurance Agents has been called for the third district March 9 at Hamilton. J. A. Lloyd, executive secretary of the association, will speak. A dinner is scheduled for 6:30.

Kenyon with Alexander Agency

R. E. Kenyon, who was president of Chicago Lloyds and his sons, R. E. Kenyon, Jr., who was vice-president of Chicago Lloyds, and Bruce W. Kenyon, who was also connected with Chicago Lloyds, have now become identified with the W. A. Alexander & Co., agency of Chicago as general brokers.

Drops "Fire" from Name

The National Security Fire of Omaha has changed its name to National Security Insurance Company.

Mrs. R. F. Atkins, widow of the Los Angeles independent adjuster, who died last fall, is carrying on his work.

Mrs. Mary Powley will continue the insurance agency of her late husband, C. L. Powley, at Monroeville, O.

FIRE SPECIAL WANTED FOR NORTH CAROLINA

Experienced man wanted for service as special agent of strong fire insurance company in the state of North Carolina, preferably with previous experience in that territory. State age, experience and salary expected in first letter. ADDRESS H-29, NATIONAL UNDERWRITER

GENERAL INSURANCE COMPANY OF AMERICA HOME OFFICE—SEATTLE

ANNUAL STATEMENT — DECEMBER 31, 1937
ASSETS

Cash in Banks and on Hand	\$ 1,485,703.45
*Government Bonds	3,162,632.55
*Other Bonds	3,508,813.09
*Stocks	3,499,561.00
Mortgage Loans	277,925.13
Real Estate	200,377.11
Premiums in Process of Collection	1,059,482.17
Accrued Interest and Rents	64,202.80
Other Admitted Assets	54,599.31

TOTAL ASSETS

LIABILITIES

Reserve for Unearned Premiums	\$ 5,708,533.47
Reserve for Losses in Process of Adjustment	424,038.88
Reserve for Dividends, Commissions, Taxes and Expense	711,377.99
Funds Held Under Reinsurance Treaties	325,299.87
Capital	\$1,000,000.00
General Voluntary Reserve	697,500.00
Net Surplus	4,446,566.40
Policyholders Surplus	6,144,066.40

TOTAL

*Bonds are stated at Amortized or Investment Values, stocks at values approved by the National Convention of Insurance Commissioners. On basis of December 31, 1937 market quotations for all bonds and stocks owned, this company's total admitted assets would be increased to \$13,423,684.97 and Policyholders Surplus to \$6,254,434.76.

A Strong and Progressive Company for Progressive Agents

E. E. Cole, Jr., Manager
Eastern U. S. Dept.
116 John Street
New York, N. Y.



C. W. Davis
Supt. of Agents
200 North Broadway
St. Louis, Mo.

MARSH & McLENNAN

INCORPORATED

164 JACKSON BOULEVARD
CHICAGO

INSURANCE

LOS ANGELES	INDIANAPOLIS
NEW YORK	DULUTH
PITTSBURGH	PORTLAND
DETROIT	LONDON
ST. LOUIS	MONTREAL
COLUMBUS	PHOENIX
BUFFALO	MILWAUKEE
CLEVELAND	VANCOUVER
BOSTON	SEATTLE
SAN FRANCISCO	MINNEAPOLIS

EDITORIAL COMMENT

Getting Back to Foundation Virtues

BENJAMIN RUSH, president of the NORTH AMERICA, in a recent interview brought to the front his firm belief in the efficacy and desirability of some of the worth while, so-called old-fashioned virtues. For instance, he said, "There are certain plain rules which are considerably discredited nowadays such as hard work and plenty of it; straight thinking, honesty and courage. The trouble with most of the people in the world is that they are all the time seek-

ing a short cut to Utopia and to heaven and there isn't any."

There are too many people that are relying on fate or chance or some good luck token or charm to carry them along. We all need to keep up with the times and not become antiquated, yet we agree with Mr. RUSH that there should be a return to the fundamental characteristics that after all are the foundation of character and permanent achievement.

"What Service Can You Offer Me"?

IT WOULD pay every insurance office some time to sit down quietly and take an inventory of its resources. What has it to offer that is worth while? The other day W. O. HILDEBRAND of Muskegon, Mich., field secretary of the MICHIGAN ASSOCIATION OF INSURANCE AGENTS, suggested that an agent answer the hypothetical question of a prospect, "Why should I place my business with you or deal with you?" Mr. HILDEBRAND was speaking chiefly of the various forms of property insurance and yet it can be ap-

plied to all kinds of insurance coverage.

Perhaps an agent has not clearly in his mind just his own resources, facilities, service giving features, character of companies, knowledge of the business, ability to program a man's insurance and fit the coverage to his individual needs. It would be a very interesting, helpful and practical subject to deal with. What have we to offer? That is a question that every prospect is asking and desires to have answered. An agent should be equipped to satisfy the inquiry.

Value of the Comptroller in Insurance

THE chief accountant or comptroller of a fire insurance company or department office is a most important man in the organization. He is not given much recognition. His work has little of the dramatic element to it. He is not called to the center of the stage and is not heard from as are the men in the underwriting, production or special departments.

He is not brought into the picture, in our opinion, as he should be. That is, his slant on any situation is important. He may not have the grasp of the other functions of the company that the general administrator possesses and yet his views surely are of real value. The chief accountant gets a view of conditions that no one

else does. He usually sits in the background and his work is regarded as mechanical. Much could be gained by bringing the chief accountant to the fore, having him present at all office conferences whether they have to do with underwriting, production, special sidelines or what not.

The presence of a first-class chief accountant in an office is invaluable. If anything goes wrong in his department, chaos reigns. Therefore, companies seek men of the highest talent in their special work to supervise the accounting and statistical systems. Being a man of this mold he should be fitted into the organization so that his voice is often heard. He speaks with authority of facts.

Renouncing Right to Make a Profit

THE "Review" of LONDON publishes an article "Insurance Accounts Represented by Diagrams," the author of which is JAROSLAV TUMA of the First BOHEMIAN REINSURANCE Bank, PRAGUE. The material and the diagrams are not readily comprehensible except to mathematicians. The analysis shows the horizontal development of the claims of one year to their complete settlement and payment, with the consequent savings appearing on the respective loss reserves. The conclusion voiced by Mr. TUMA, however, is significant.

"The total profit or loss for one year," he says, "is composed of several amounts, of which only a few are definite and the remainder provisional. This composition of the total profits contributes a certain elasticity to the account, but in reality insurance companies do not pretend to make direct profit out of the technical figures and are satisfied to distribute to the shareholders a dividend which is very seldom superior to the income from interest on the different funds. This means that insurance enterprises have renounced the right to make a direct profit out of their service to the as-

sured and are satisfied with the indirect earnings on the funds in their hands. From the diagrams it can be seen how the funds are generated by the very nature of the insurance business. This renunciation of the right to make a direct profit is a moral factor which contributes in no small measure to the solidity and long life of insurance enterprises."

If this conception were given generally to investors and to all insurance operators, many headaches would be avoided. Of course, it is the conception of seasoned

company managements but the collapse of most of the green insurance promotions is certainly traceable to the fact that the promoters had the idea of "grabbing" a direct profit, rather than renouncing such profit. Mr. TUMA's analysis of insurance does not provide much of a prospectus for salesmen of stock in new insurance companies, debentures, underwriting participations, surplus notes or what not. He leaves the impression that insurance is a slow game; that there is only one way to play it and that is the hard way.

PERSONAL SIDE OF BUSINESS

Miss Estelle Peacock who has been with J. K. Shepherd & Co., general agents in Little Rock, for several years, will be married March 6 to W. C. Hawbecker of Hot Springs, formerly special agent for L. B. Leigh & Co. of Little Rock.

C. J. Keller, associated with Hugh A. Bird in the Bird-Keller Agency, Beaver Dam, Wis., well known in his community, has announced his candidacy for the nomination for mayor there at the spring primaries.

T. D. Noyes, 50 years with the Granite State Fire, was honored by the home office with a testimonial dinner and presented a purse of money and smoking stand. Secretary O. A. Dexter was toastmaster.

Commissioner Owen B. Hunt of Pennsylvania, now in the final year of his administration, dropped a hint at the annual banquet of the Insurance Society of Philadelphia that he is planning to return to the insurance business at the expiration of his term.

"This is my last year in office," he remarked. "I expect to be with you again next year—perhaps as one of you, in the ranks."

Wayne Holmes, assistant marine manager at the head office of Pacific National Fire, was in Chicago last week on a business visit. He was formerly located in Chicago, with the Osborn & Lange agency and this was his first return trip to that city since leaving for San Francisco.

Mrs. J. Pierce Wolfe has been appointed a member of the national advisory committee of women's participation in the 1939 New York world's fair. The committee consists of 100 women from the various states. The appointment was made by Grover Whalen, president of the world's fair committee. Mrs. Wolfe is the wife of the Minnesota state agent for the Security of New Haven.

A. W. Werninger of the Werninger-Brown agency of Huntington, W. Va., celebrated his 80th birthday Feb. 28 and is rounding out his 40th year as an active local agent. He began writing insurance in August, 1897. His first company was the Great American, which he still represents. He purchased the J. H. Cammack agency in June, 1898. Among the companies he has represented continuously for nearly 40 years are the Royal, United States Fire and

the Citizens. He helped organize the local board in Huntington and also the West Virginia Association of Insurance Agents. His health is good and he is at his office every day.

Ludwig Rubek, prominent local agent of Cedar Rapids, Ia., has returned by motor from a six weeks trip to Florida. Mr. Rubek and his family made their headquarters in Miami Beach. He is president of the Iowa Association of Insurance Agents.

William L. Chase, inland marine underwriter with the America Fore in Chicago, fractured his ankle when he slipped in front of his home in Evanston, Ill. He expects to be back at the office on crutches next week. He was formerly a field man in Kentucky and the mid-west.

C. D. R. Mulder of the Chaddock, Winter, Mulder & Alberts agency, Muskegon, Mich., was one of the witnesses who testified in Washington at hearings on the Parsons bill relating to diversion of water from Lake Michigan by the Chicago drainage canal or Illinois waterway. Mr. Mulder is a member of the Muskegon municipal harbor commission. He was also specially delegated to represent the city of Holland and the White Lake Harbor joint committee of Whitehall at the hearing.

Carl S. Lawton, president of Lawton-Byrne-Bruner Insurance Agency, St. Louis and Mrs. Lawton are on a West Indies cruise. They expect to be away about a month.

W. Frank Ewing, 63, an examiner in the Indiana department since 1932, died after a long illness. For 15 years he was with the Prudential in Shelbyville, Ind., and later was manager in Richmond, Ind., of the Western & Southern. Burial was at Shelbyville.

William Deans of the Selbach & Deans general agency, San Francisco, is on a tour which will take him to Japan, the Philippines and Australia.

J. J. Fitzgerald, president Grain Dealers Mutual Fire, has been elected a director of the Indianapolis Better Business Bureau.

A family birthday party was given at Urbana, O., in honor of J. O. Dye, one of the old-time fire insurance men in Ohio. Mr. Dye, who is in the 80's began in the fire insurance business with Correy, Wallace & Dye in Springfield. Later he became special agent of the



THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Wabash 2704

EDITORIAL DEPT.: C. M. Cartwright, Managing Editor. Levering Cartwright, Ass't. Man. Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor.

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Subscription Price \$4.00 a year in United States and Canada. Single Copies, 20 cents. In Combination with Life Insurance Edition, \$5.50 a year. Entered as Second-class Matter April 25, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

Amazon of Cincinnati, which was later taken over by the Royal. He served the Royal for a number of years as an adjuster. Later he became associated with the Great American as state agent. Only members of the family attended the party.

Paul F. Dye, local agent at Urbana, O., and T. O. Dye, state agent Connecticut Fire, Columbus, both nephews of J. O. Dye, were the only insurance men present.

Climbing from a \$2.50 a week office boy at 14 to first vice-president, **Joseph Loeb** has just celebrated his 50th anniversary with the **Ferd Marks Insurance Agency**, New Orleans. Several company executives were on hand to congratulate him, including Gilbert Kingan, Hartford, United States manager London & Lancashire; Charles C. Bowen, Detroit, president Standard Accident, and John M. Harrison, Atlanta.

W. F. Sweazea, Cook county and metropolitan manager North British & Mercantile, Chicago, visited for a few days at the head office in New York, and then proceeded to Pass-a-Grille, Fla., a colony on the west coast, for a vacation of several weeks.

John C. Haley & Sons, Madison, Wis., local agents, is celebrating its 50th anniversary. The founder, John C. Haley, died in 1934. His sons who are now active in the business are Earl D., Merrill J., Harry B. and John W. Haley.

John J. Gorman, secretary **George Herrmann & Co.**, Chicago, is running for the state legislature as a representative from the 19th senatorial district. This district comprises all of Cicero, Berwyn and Riverside. Mr. Gorman's nomination on the Democratic ticket has been endorsed by both the Kelly-Nash and Horner factions.

Mr. Gorman started in the Herrmann agency in 1906, serving in various capacities as clerk, field representative and secretary, a position he has held for the past 12 years.

Paul E. Rudd, Milwaukee, Wisconsin state agent **Aetna Fire** and for many years prominent in Blue Goose affairs, suffered a brain concussion and head and face lacerations when struck by an automobile while crossing a street near his home in Whitefish Bay, Milwaukee suburb. He was taken to a hospital but returned to his home Tuesday.

Thomas F. Buchanan, secretary of the **Aetna Fire**, was a visitor to Los Angeles the past week. This is his first visit to the Pacific coast.

E. V. Neuberger, state agent of the **Hartford** in Nebraska, is rapidly recovering from a recent illness and expects to be out and about within a few days.

G. W. Emlen, who was with Stokes, Packard & Smith of Philadelphia for 35 years and was active until about a year ago, died last week in his home at Germantown, Pa.

W. L. Steele, former western manager of the **Niagara Fire** and later vice-president at the home office in New York until the company was purchased by the **America Fore group**, brought the body of Mrs. Steele from their home at Nyack, N. Y., to Chicago for burial. Funeral ceremonies were held at Rosehill Cemetery. Mr. and Mrs. Steele were married 55 years on Jan. 15, and had a celebration of the event at that time.

Notice has been filed of the dissolution of the **Letcher Insurance Agency**, **Whitesburg, Ky.**

WANTED

Man in thirties presently employed with field, agency and engineering experience in midwest wants company or general agency connection where fire, surety and casualty experience can be used to advantage. CAN INVEST if future indicates permanency.

ADDRESS H-26, NATIONAL UNDERWRITER

Adjudicated the Rights of Co-Tenants in Proceeds

The rights of co-tenants in the proceeds of an insurance policy were involved in the case of **Collette, executrix, vs. Long, administrator**, decided by the supreme court of Mississippi. Mrs. Cummings, following the death of her husband, continued to occupy the family home. She procured windstorm insurance in the Home of New York. A tornado destroyed the property and killed Mrs. Cummings while Mr. Cummings' estate was still in probate. Long, ad-

ministrator of Mrs. Cummings, called upon the insurance company for the proceeds of the policy. The Cummings children claimed to have an interest in the proceeds as well. The Home of New York paid the money into court, which awarded it to Mrs. Cummings' administrator. The property had been left in joint tenancy to Cummings' widow and children. On appeal, the supreme court of Mississippi upheld the contention of the lower court that co-tenant is under no duty to indemnify the other tenants for the destruction of their common property or to procure insurance protecting them. The policy was issued in the name of Mrs. Cummings only and

only she or her estate were held entitled to the proceeds.

St. Louis Wants National Meet

ST. LOUIS—The Fire Underwriters Association of St. Louis has extended a formal invitation to the National Association of Insurance Agents to meet in St. Louis in 1938, 1939, 1940 or 1941. The St. Louis Convention & Publicity Bureau, Chamber of Commerce, Advertising Club, Associated Retailers, St. Louis Hotel Men's Association and the city administration headed by Mayor Dickmann have joined in the requests.

Introducing BIG R. SALES (BIGGER SALES)

It is with a great deal of pleasure that we present Big R. Sales, who to some producers is only a myth, but to the scores of successful users of PRACTICAL PROSPECTING is a real guy.

His commission with **Millers National** is to concoct meaty sales bulletins for PRACTICAL PROSPECTING agents. He is now preparing a brand new series, chock full of ideas for his friends to convert into dollars for themselves.

His is the voice of experience and he talks your language. No theory but just good sound common sense.

He's got that kind of "it" that jingles in a cash register.

Take a tip and sidle up to this old boy. Lining up under PRACTICAL PROSPECTING now will get you in on the first of his series.

PRACTICAL PROSPECTING gives you a plan of action. It provides you with modern sales tools. Big R. Sales gives you incentive and inspiration. What more does an alert agent need?

If you want to increase your business in 1938, **Millers National** invites you to investigate PRACTICAL PROSPECTING and line up with Big R. Sales.

Thank you!



Now this time-tested agents' sales plan comes to you more complete—more colorful—more conducive to sales than ever before. Since it is fast finding its way into the most progressive agencies in the country perhaps it should be in yours.

PRACTICAL PROSPECTING is a "natural" in selling. It shows you how to analyze your market, how to organize a systematic approach to that market, how to conduct sales campaigns, how to increase the ratio of sales to calls through the scientific use of direct-mail, and how to be your own sales manager. It is complete from A to Z. Included are not only the ideas on the course to follow, but the essential record blanks, files,

and sales material to enable you to put the plan into operation.

It shows you how to do real "honest-to-goodness" prospecting. No hit or miss business, and no keeping of records under your hat. No wasting of time, shoe leather, or gasoline. It lays out the rules of successful selling, and charts the course to bigger incomes.

FOR YOUR INFORMATION

The plan will be presented to you without incurring any obligation whatever on your part. Simply write **Millers National Insurance Company**, Sales Promotion Dept., 175 West Jackson Blvd., Chicago. Your inquiry must be on your own letterhead.

Established 1865
MILLERS NATIONAL
Insurance Company • CHICAGO
Service Headquarters for Alert Agents

REINSURANCE

CASUALTY · FIDELITY
SURETY

ASSETS	\$15,242,351
CAPITAL	1,500,000
SURPLUS	2,500,000
VOLUNTARY RESERVE . .	709,142

QUALIFIED IN EVERY STATE
AND DOMINION OF CANADA

KANSAS CITY
NEW YORK
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EMPLOYERS REINSURANCE CORPORATION

E. G. TRIMBLE, President
HOWARD FLAGG, Executive Vice President

The NATIONAL UNDERWRITER

March 3, 1938

CASUALTY AND SURETY SECTION

Page Twenty-one

Idea of Long Haul Truck Pool Now Gains Support

Leadership in Movement Is Assumed by Several Fire Company Executives

Although the idea of organizing a pool of leading stock companies to handle the insurance requirements of the long haul trucking industry has been broached from time to time, so many obstacles soon developed and so much indifference was encountered that one enthusiastic promoter after the other has had to drop the notion as quite a cold potato.

Just now, however, a movement in that direction is under way that may get somewhere. Some of the most responsible executives in the business have become very much interested in a proposal to have the enterprise handled in conjunction with one of the successful, established syndicates of fire companies that functions in a specialized field. A number of conversations have been held and it is likely that in a month or so something may materialize. The leadership has been taken by fire insurance men and it may be that the pool, if it is set up, at the outset may consist largely of casualty companies that are affiliated with fire insurance companies. Those that are supporting the program feel that there should be a close working arrangement with the leading associations of truck men. All sorts of estimates are heard as to the potentialities in this class, but those interested in this particular venture are going on the theory that the premium possibilities are between \$20,000,000 and \$30,000,000.

See Pool As Only Answer

A good many observers have come to the conclusion that a pool is the only answer to the long haul truck insurance problem. Such insurance must be coupled with an expensive service set up, including probably road patrol, equipment inspection, investigation of financial standing of truckers, maintenance of extensive records of individual risks and of individual drivers and educational safety work of one kind and another.

It would be a needless expense, many believe, to have dozens of such expensive service systems in effect.

Some of the large casualty companies have done some experimenting in the long haul trucking field. Some have deliberately taken a certain volume to see the results at first hand and to see what could be done about improving the experience. Other companies have taken a risk here and there as an accommodation to a good agent. Much of the business has gone to smaller companies, mostly mutuals and reciprocals. There have been several failures of such concerns including Auto Mutual Indemnity of New York, Central Mutual of Chicago and three or four concerns have had to be put through the wringer under

(CONTINUED ON PAGE 34)

Alabama O. K.'s Merit Rate and Gets Rate Concession

Governor of New Mexico Gets Behind Safe Driver Reward Plan; Oklahoma Rejects It

The safe driver reward plan has been approved for use in Alabama effective as of Feb. 1. Application of the plan in Alabama had been withheld at the request of Superintendent Julian, who stated he was sympathetic with the plan itself but asked for an opportunity to discuss a proposed increase of about 20 percent in rates for the Birmingham territory.

Following conferences with the superintendent, the National Bureau considered additional information concerning the Birmingham territory which revealed certain conditions not comparable with the experience on which the proposed revisions were based.

In a subsequent letter to Superintendent Julian, William Leslie, general manager of the National Bureau, states: "In consideration of the additional information which we now have, particularly the work that has been carried on in connection with the claims investigation in Birmingham, and also the good that it is hoped will result from the recent enactment of a guest law in Alabama, our committee believes that we can justify continuing in force for private passenger and commercial automobiles, the manual rates for Birmingham which were in effect during 1937."

The Birmingham Association of Insurance Agents took a quarter page space in the newspapers to announce that "this not only means the savings of thousands of dollars per year to Jefferson County automobile drivers, but also a cash reward to the careful drivers."

NO INTERFERENCE IN MICHIGAN

Commissioner Gauss of Michigan states that his department has no jurisdiction over automobile rates and hence no action is contemplated.

SUPPORT FROM GOVERNOR

SANTA FE, N. M. — Governor Tingley, characterizing the safe driver reward plan as the most "effective way to further safe driving," called on Commissioner Bell for a complete report of the "proposal of automobile insurance companies to make rebates."

The plan was tentatively barred in New Mexico by Mr. Biel. The governor's letter to Mr. Biel said:

"Numerous persons have brought to my attention the matter of rebates offered by automobile insurance companies to New Mexico motorists based on safe driving records. I understand that you tentatively ruled against permitting companies to make this rebate. As soon as you have completed your investigation of this matter I shall appreciate having a complete report on how the companies propose to make this rebate, the number of insurance paying motorists involved, and the amount that would be saved to motorists. New Mexico agencies spend considerable time and money to further safety programs and it seems to me that the most effective way to further safe driving

General Accident Situation Improves, Auto Deaths Up

National Safety Council Reports 106,000 Killed in Accidents in 1937—Cost \$3,700,000,000

There were approximately 106,000 persons killed in accidents in 1937, a decrease of 4 percent, according to a preliminary survey by the National Safety Council. The nation's accidental death bill was \$3,700,000,000 in 1937 including \$2,550,000,000 wage loss, medical expense, overhead costs of insurance, \$870,000,000 for property damage in traffic accidents and \$285,000,000 property loss in fires. The total represents a 1 percent decrease from 1936.

There were 375,000 persons permanently disabled in accidents and 9,400,000 temporarily disabled in 1937.

Traffic deaths increased 4 percent, occupational accidental deaths increased 6 percent while there was a 15 percent decrease in home accidental deaths and 5 percent decrease in public, (not motor vehicle) accidental deaths. In 1937 the accidental death rate per 100,000 population was 82, the all time rate being 85.8 in 1936. Child accident death rates dropped 13 percent in 1937 while the adult accidental deaths increased 3 percent.

An all time high of 39,700 automobile accident deaths was reached in 1937. There were 1,250,000 temporarily injured and 110,000 permanently injured in automobile accidents. At the end of June motor vehicle deaths had increased approximately 14 percent but good experience in October and November brought the figure down to 4 percent.

Aviation Experience Better

Fifty-two persons were killed in 1937 in accidents involving airplanes on scheduled routes. This was 15 percent less than the 1936 total of 61. Forty airplane passengers were killed in 1937 against 44 in 1936. Passenger miles flown in 1937 totaled 480,000,000, making a passenger death rate of 8.3 per 100,000,000 passenger miles.

Due to reduction in the excessive heat fatalities, there was a reduction of 15 percent in home accidents. There were 140,000 permanently disabled in home accidents and 4,500,000 temporarily disabled. Home accidents cost the nation \$600,000,000 in 1937.

The total cost of industrial accidents was \$700,000,000 in 1937 with 19,000 deaths, 75,000 permanently disabled and 1,550,000 temporarily disabled.

is to offer a premium to motorists for safe driving records. That in effect, as I understand it, is what the underwriters are doing in making rebates available. I shall appreciate an early reply."

OKLAHOMA REJECTS PLAN

OKLAHOMA CITY—The Oklahoma Insurance Board Tuesday disapproved the safe driver reward plan as proposed by the National Bureau. The board further disapproved all filings relating to private passenger cars and the bureau was directed to make a filing that will reflect an average reduction of not less

(CONTINUED ON PAGE 34)

Resignation to National Bureau Made This Week

Continental Casualty Retires Owing to Issue Over Safe Driver Reward Plan

The Continental Casualty has tendered its resignation to the National Bureau of Casualty & Surety Underwriters, it is announced by Roy Tuchbreiter, vice-president. The Continental Casualty greatly regrets that this action became necessary by reason of its attitude with reference to the safe driver reward plan which has been adopted by the bureau as applicable to private pleasure cars.

The Continental Casualty desires to emphasize that this was the sole reason for its resignation. Its history as an active member of the National Bureau for more than 20 years and as a member of other similar organizations is its own proof that it is in full accord with the fundamental principles of the bureau. It thoroughly believes in organizations of this character which stand for progress and improvement, for rate stability at the lowest levels consistent with safety, and for constructive work in accident prevention. It has not changed its position in this regard from that which it has maintained, many times to its immediate disadvantage, for more than 40 years.

Expresses Regret in Resigning

Because of its belief in these principles and because of its high regard for the bureau, its members, its very able manager, William Leslie, it was with extreme reluctance and only after the most careful consideration that the Continental Casualty came to the conclusion that it could not in justice to itself and its agency organization go along with the bureau in the adoption of the safe driver reward plan.

It was and is the opinion of the Continental Casualty officials that the safe driver reward plan is definitely contrary to the best interests of its agency organization. Inasmuch as the company is a firm believer in the American agency system and the principles upon which that system rests, and inasmuch as it has always been an orthodox general agency company, it felt that it could not adopt a plan which it sincerely believed to be directly in conflict with the best interests of its loyal agents. Its action in this connection has therefore been a purely defensive measure.

Looks for Compromise Plan

The Continental Casualty is of the opinion that future developments in connection with the use of the safe driver reward plan will be such that the bureau will ultimately approve some alternate plan which will be consistent with the principles in which the Continental believes. It is most appreciative of the courteous and broad-minded attitude in

(CONTINUED ON PAGE 34)

Conservation Bureau Holds an Educational Conference

Number of Points Brought Out by the Staff and Company Engineers

The National Conservation Bureau, which was formerly the conservation department of the National Bureau of Casualty & Surety Underwriters, held a meeting of the staff and 60 chief engineers at a meeting in New York City. Wallace Falvey, vice-president Massachusetts Bonding in charge of its New York office, is chairman of the advisory committee of the National Conservation Bureau. In his talk he stated that policyholders should be impressed with the fact that a definite part of the premium dollar is spent for accident prevention. J. H. Harvey, managing director of the bureau, presided. There was an address of welcome by C. W. Fairchild, general manager Association of Casualty & Surety Executives. He stated that the association decided to have a quarterly conference among company representatives and the conservation bureau people.

H. D. Sayer a Speaker

H. D. Sayer, manager of the executives association casualty department, stated there are many problems to be considered with occupational diseases. Problems arising out of dust diseases, he said, are particularly difficult and complex. The goal of dust control is a challenge to the engineering brains of industry and the insurance companies.

Harold Hammond, director of the traffic division of the conservation bureau, told about the work that it is trying to do and cited Waterbury, Conn., as an example of what had been accomplished in the way of coordinated traffic control in which the National Conservation Bureau participated.

Dr. H. J. Stack, director of the bureau's educational division, explained its activities in the field of teacher training for safety education, high school driver training, elementary school safety, police schools and adult education.

Cooperative Projects

John J. Hall, director of the special service division, described a number of the cooperative projects which the bureau is conducting in cooperation with various official and civic agencies.

W. S. Paine, manager of the engineering and inspection department of the Aetna Casualty & Surety, presided during the afternoon session. D. L. Royer, chief engineer of the Ocean Accident, told what can be accomplished by the conservation bureau in the industrial field. He stressed the need for speeding publication of the revised edition of the "Hand-book of Industrial Safety Standards." He particularly pointed out the need for bringing about the application of the new standard elevator code on an efficient and stable basis.

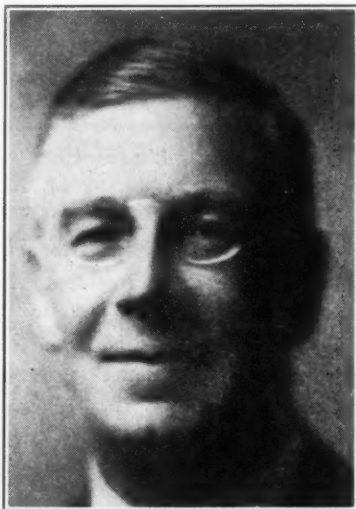
Holgar Jensen, manager of the engineering and service bureau of the Maryland Casualty, told what the bureau can do for its companies in the public safety field. He said the bureau could well undertake a special program for aiding mercantile establishments to prevent accidents on their premises. He advocated expansion of the home safety activities.

Restricted License Warning

OKLAHOMA CITY—Lewis J. McCoy, manager of the Oklahoma Association of Insurers, is urging members who write public liability and property damage coverage in the state to warn parents and their children against violation of the restricted drivers' license law. The Oklahoma law provides a restricted driver's license may be issued to children between ages of 14 and 16, but only between their homes and schools.

Richardson to Retire as U. S. Head of General Accident, Return to Britain

PHILADELPHIA—Frederick Richardson will relinquish his duties as United States attorney and managing di-



FREDERICK RICHARDSON

rector General Accident April 30, and will as soon as possible thereafter return to Great Britain. In his capacity as deputy chairman he will continue to take an active interest in the United States branch and hopes to visit it frequently. Announcement of the official changes consequent upon this event will be made shortly.

Will Present Safety Plaque

SAN FRANCISCO—The safety committee of the San Francisco junior chamber of commerce will present the Fireman's Fund Indemnity plaque to the police district showing the best traffic accident control record at a public luncheon March 3, attended by city officials and civic leaders. B. G. Wills, vice-president, will be a speaker. At the speakers table will be members of the executive board of the San Francisco Safety Council, including Joy Lichtenstein, Hartford Accident; C. G. Brown, California Casualty Indemnity Exchange; C. W. Fellows, Associated Indemnity, and S. L. Webster, Maryland Casualty.

Detroit Automobile Club Has Increased Some Rates

Dividend Return to Policyholders Has Been Decreased —Classes Affected

DETROIT—The Detroit Automobile Inter-Insurance Exchange, insurance carrier for the Automobile Club of Michigan and one of the largest writers of automobile insurance in Michigan, increased its property damage, public liability and collision rates effective Feb. 15 and has also reduced its dividend return to insured members.

Reduction Made in 1935

In May, 1935, this reciprocal placed in effect a drastic rate reduction. Last year collision rates in the state area outside of metropolitan Detroit, where collision experience has been admittedly unfavorable for years, were boosted 30 percent while the Detroit metropolitan rate remained unchanged. The present increase raises property damage and public liability rates throughout the entire state 10 percent and also boosts full coverage and convertible collision rates in Detroit 25 percent and deductible collision 15 percent.

P. D. and P. L. coverage in Detroit, which was formerly \$23 less a 30 percent dividend return at the end of the year and netted \$16.10 for the smaller class of passenger cars, is now \$25.30, less 25 percent return, netting \$18.98. Membership in the club, which is necessary in order to buy this insurance, is \$10 per year. It is reported on good authority that the dividend return, which was 30 percent in 1937, will be 25 percent in 1938.

Says He's "Collection Agency"

BOSTON.—Frank A. Goodwin, registrar of motor vehicles, says his office is acting as a "collection agency" for insurance companies under the compulsory automobile liability law and submits a bill to have the practice stopped. He reports that in 1935 the registry sent out 85,000 notices of intention to revoke registrations because of failure of automobile owners to pay their compulsory premiums. As only 28,000 registrations were actually revoked, Mr. Goodwin takes the position the registry served as a "collection agency" for the companies in the cases of the 57,000 who finally paid up.

Attention Is Called to Error by the Magistrate

Manager Leslie Points Out Mistake Made by Jurist in Automobile Comment

William Leslie, general manager National Bureau of Casualty & Surety Underwriters, called attention to a common error that was made by Chief Magistrate Schurman of New York City in questioning the propriety of the New York City automobile liability rates on the basis of accident per 1,000 population. Mr. Leslie stated that he used the population basis in relating automobile accidents to number of people instead of to the number of automobiles in operation.

Illustration is Given

Mr. Leslie takes a community of 100,000 population persons where there are 25,000 automobiles as a result of which 1,000 accidents are caused during the year. The accident rate per 1,000 population is 10, while the rate per 100 automobiles is 4. Suppose the population was 500,000, with the same 25,000 automobiles and the same 1,000 accidents. For 1,000 population the accident rate would be 2, whereas per 100 automobiles it would remain at 4. Mr. Leslie calls attention to the fact that in New York City the number of automobiles in operation is low in proportion to population as compared with the rural sections of the state. That is responsible for the more favorable showing in New York City as the basis of accident rates per 10,000 of population.

Experience Justifies Differences

Mr. Leslie said that the actual experience of all carriers in New York state filed with the New York insurance department justifies the differences in rates that are charged in the several territorial divisions. For the latest year the experience shows that for each 100 insured private cars there are 12 claims for bodily injury losses. In the rural section the corresponding figures were 3.6 in territory 40; 3.5 in territory 41, and 3.2 in territory 42. He explained that rates are based on the actual experience of each territorial division and not upon any arbitrary action. The experience shows the number of claims per 100 cars for each year and the average amount of loss incurred per claim. The two give the average amount per car that is required to pay losses. For New York City the average amount per car for losses and loss expense alone is \$58.19 for standard bodily injuries and property damage coverage. In the rural sections mentioned it varies from \$19.20 to \$21.28.

Sees Auto Problem Growing

MILWAUKEE.—Unless the increase in automobile accidents is checked, the cost of public liability and property damage insurance will continue to increase beyond the reach of more and more motorists, Commissioner Mortensen told the annual cooperative conference here. He said the result will be that more uninsured cars will be operated and the difficulty of obtaining compensation for accidents will be increased. He urged that the goal of all safety programs should be to keep careless and incompetent drivers off the roads. The commissioner said he questioned whether the new higher rates for automobile insurance just announced by the major bureau companies for Wisconsin were justified. He lauded the growth of cooperatives in the insurance business.

Reports of progress the past year were given by A. J. Haas, Madison, president Cooperative Insurance Mutual, and Lynn Matteson, Milwaukee, secretary-treasurer.

The Allied Underwriters, Dallas reciprocal, has been licensed in Arkansas.

New Officers of Illinois Federation



H. N. DOUGLASS



J. P. KEEVERS

H. N. Douglass, Chicago manager New Amsterdam Casualty, is the new president of the Insurance Federation of Illinois, and J. P. Keevers, manager Maryland Casualty, is the new first vice-president.

Safe Driver Plan Merely First Step in Auto' Program

Catlin Cites Objectives: Broadened Cover, Widened Sales, Less Cost

Vigorous efforts toward a broader spread of automobile liability and property damage are intended by the bureau companies, according to officials of the Aetna Casualty, who have been visiting important cities in the interest of the safe driver reward plan.

In his talk at Chicago Vice-president Robert I. Catlin said that the safe driver reward is not a program, it is only the first step in a program. This includes a broadened coverage, widened sales, and lower costs. He sees in the \$1,000 single limit policy a means of reaching a largely increased number of drivers. Among the measures being discussed are the inclusion of the limited "drive other cars" coverage without extra cost, a clause excluding family guest claims and single limit policies in larger amounts.

The Aetna party included Vice-president C. G. Hallowell, recently advanced to head of the casualty department following the retirement of W. L. Mooney; Mr. Catlin, and F. W. Potter, recently made agency supervisor. While a trip of this sort by home office men is an annual feature, the object this year has been to clear up questions on the safe driver reward plan.

Origin and Purpose of Plan

Mr. Catlin talked mainly on the origin and purpose of the safe driver reward, while Mr. Potter took up objections and selling arguments. Mr. Hallowell spoke briefly. He told of the \$250,000 being spent for newspaper advertising. While this seems large, it is no more than was spent by three leading mutual companies in general advertising last year. The campaign consists of about two-thirds of a page released in the daily newspapers in each state as soon as the plan becomes effective. The second release will be in the Sunday papers, followed by a third release in the Sunday papers. In addition, the companies themselves are doing individual advertising, and are supplying agency advertising aids.

Mr. Hallowell said that safety promotion work has led directly up to the safe driver plan. He said the companies are determined to go in very aggressively. They have a lot to make up in premiums. In the first place, they have to make up the 15 percent in revenue that is being returned to the safe drivers. In addition, they mean to get back their former place in automobile premium production. He said they would not have gone in with the safe driver plan unless they felt sure of reaching a larger market.

Supplied the Leadership

Mr. Catlin said the stock bureau companies have for 40 years supplied the leadership and stabilization in the casualty business. He referred to the drop in volume due to the depression. Price became a dominating factor with buyers and agents. The agents took in companies with a better price tag and the outside companies, "free riders," emphasized price in order to get into agencies solely for automobile business. They have usually been hard boiled in underwriting, he said, declining to accept accommodation risks which the agents were expected to place with the regular

(CONTINUED ON PAGE 33)

Illinois Federation Hears Address by Ray Murphy

Stirring Talk Given by New Casualty Executives Association Official

The annual meeting of the Insurance Federation of Illinois which took place at a luncheon attended by 150 in Chicago Monday, was featured by an address by Ray Murphy. Special interest was taken in his appearance, because he was just recently appointed assistant general manager of the Association of Casualty & Surety Executives. Previously he was insurance commissioner of Iowa. He is a facile and impressive speaker and he will doubtless be much in demand for various meetings throughout the country. He explained the various functions of the casualty executives association and closed with a stirring appeal for maintenance of American principles.

W. H. Hansmann, vice-president Fidelity & Deposit, the retiring president, opened the proceedings. He introduced those at the head table. Mrs. Lillian Herring, secretary, reported that membership now stands at about 400. She expressed the hope that the membership might be doubled by the time the next legislature convenes. J. P. Keever, manager Maryland Casualty, who is the new first vice-president, reported for the auditing committee and W. O. Schilling, manager U.S.F. & G., for the nominating committee.

Douglass New President

The meeting was turned over to H. N. Douglass, manager New Amsterdam Casualty, the new president. The New Amsterdam head office was represented on the occasion by Vice-president F. W. Hoffrogge.

Mr. Murphy was introduced by J. E. Callender, manager Ocean Accident, who was one of the founders of the federation.

A note of sadness appeared in the proceedings because the introduction of Mr. Murphy was to have been made by Rockwood Hosmer, who died last Saturday morning. Prior to adjournment, Alvin S. Keys, prominent local agent of Springfield, Ill., spoke in appreciation of Mr. Hosmer, saying that he had been particularly valuable in cementing relationships in the insurance business between Chicago and downstate Illinois. Mr. Callender also spoke in appreciation of Mr. Hosmer.

Among those at the head table were C. A. Berger, president Insurance Brokers Association of Illinois; W. E. Rollo, chairman Chicago Insurance Agents Association; W. H. Jennings, Jr., of Rockford, president Illinois Association of Insurance Agents; A. F. Powrie, western manager Fire Association and president Western Underwriters Association; Roy L. Davis, assistant insurance director; J. C. Lanphier, Springfield, and Harve Badgerow, W. A. Alexander & Co., Chicago, past presidents Insurance Federation; Mr. Schilling; C. F. Thomas, manager Western Underwriters Association; John Pabst, manager Fireman's Fund Indemnity and president Casualty Managers Club; W. H. Wallace, surety manager Hartford Accident and president Surety Association of Chicago.

Advocates Driver's Law

Mr. Murphy advocated the passage of a driver's license law in Illinois. He said that Illinois is the only large state that does not have such a law. Provision should be made for mental and physical examinations to determine the fitness of the applicant to operate such a dangerous vehicle as an automobile. He said in 1936 automobile deaths in Illinois numbered 2,461 and in 1937, 2,593. The insurance interests, he said, can be expected to reduce the tragic drain upon the resources of the people by automobile fatalities and injuries. The Asso-

Hartford Accident's Committee Chairman



CARL S. LAWTON, St. Louis

HARTFORD—Carl S. Lawton, president of the Lawton-Byrne-Bruner Insurance Agency of St. Louis, was elected chairman of the committee of agents of the Hartford Accident & Indemnity, when it met at the home office to discuss plans for the company production forum to be held at White Sulphur Springs, W. Va., in October. The committee will henceforth make its headquarters in 1226 Pierce building, St. Louis, where Mr. Lawton holds forth.

Plans were discussed for the picking of delegates to the production forum, and the committee was entrusted with full responsibility for the details of the nationwide recognition of the company "birthday," which will be celebrated May 9. This date will be celebrated as the 25th anniversary of the granting of the charter, since the real date, May 8, falls on Sunday.

ciation of Casualty & Surety Executives, he said, is well equipped to help in the crusade. For instance, 13,000 copies of "Man and the Motor Car" are being used in 475 high schools in Illinois. The association has sold at cost 100,000 copies of "Creating Safer Communities," which is used by public officials.

He commented on the value of the association's work in digesting legislative bills of interest to insurance. The advisory committee on occupational disease has developed valuable information and he expressed the belief that the association has the best occupational disease library in the country.

The claims department is relentlessly going after shyster lawyers and claims racketeers. In recent weeks encouraging results have been obtained.

The association desires to maintain and improve friendly relations with producers, he declared.

Drop Lloyds Restaurant Plan

COLUMBUS—The Ohio Association of Insurance Agents has been notified that the National Restaurant Association has withdrawn its arrangement to write liability insurance for its members in London Lloyds. An effort had been made to write insurance on Ohio members of the association.

Aetna Casualty Display

A display featuring the Aetna plan of risk analysis for financial institutions will be shown by the Aetna Casualty & Surety at the spring conference of the savings division of the American Bankers Association March 3-4 at the Hotel Roosevelt, New York City. A personal plan of risk analysis for banking executives is featured as a supplement to the institutional demonstration.

Commence New Action Against Lloyds in Illinois

Surety Companies Name 1,900 London Underwriters in Quo Warranto

A new action has been brought in Sangamon county circuit court at Springfield, Ill., by 17 casualty and surety companies in an effort to cause the London Lloyds provision of the Illinois insurance code to be construed, as the plaintiff companies believe it should be construed. This is a quo warranto action, some 1,900 individual London Lloyds underwriters being called upon to show by what right they are doing business in Illinois.

A few weeks earlier the same plaintiff companies filed a petition in the Sangamon county court to review the order of the insurance department in licensing London Lloyds. Greater significance is attached to the quo warranto action than to the earlier petition.

State's Attorney Joins in Action

The Springfield law firm of Gillespie, Burke & Gillespie filed the petition for the new writ. Attorney John W. Barber at Springfield is the nominal plaintiff. The proceedings have been sanctioned by State's Attorney Roberts of Sangamon county. April 4 is the date upon which the writ is returnable.

Although the quo warranto action contains no arguments one of the principal theories of the surety companies is that although the code specifically provides for the Lloyds deposit to be earmarked for the individual underwriters, under the licensing agreement, the deposit is held to be joint and several. Insurance Director Palmer made the agreement after having obtained an opinion from the attorney-general which resolved a good many questions in favor of London Lloyds.

The names and addresses of the individual Lloyds underwriters are on file with the Illinois insurance department and each is named in the quo warranto action.

The companies apparently are banking more on the quo warranto action than they are on the original action to review the order of the insurance department in licensing Lloyds. The attorney-general, in behalf of the insurance department, in answering the "review" action questions the constitutionality of section 107 of the new insurance code which sets up machinery for court review. The attorney-general contends that the court may not pass on questions of an administrative officer's work.

Claims Executives' Conference

NEW YORK—The first of a series of quarterly conferences by the claims executives of member companies of the Association of Casualty & Surety Executives and the staff of the association's claims bureau will be held Thursday. Jesse S. Phillips, chairman Great American Indemnity, will preside at the afternoon session and Frank M. Parrish, general solicitor in charge of the claims bureau in the morning. R. N. Caverly, vice-president Fidelity & Casualty, will be the chief speaker in the morning. Mr. Parrish will discuss the general activities of the bureau. Wayne Merrick, chief investigator of the bureau, will speak.

The principal speaker of the afternoon session will be Charles Deckelman, manager casualty claims department Travelers. The conference will close with a round table discussion.

Aligning Forces to Check Claim Fakers of U. S.

General Solicitor Parrish of Claims Bureau Completes Swing on West Coast

NEW YORK—F. M. Parrish, general solicitor of the claims bureau, Association of Casualty & Surety Executives, has returned to this city after an extended trip about the country, in the course of which he visited Los Angeles, San Francisco, Portland, Seattle and Chicago, conferring with local claim organizations in each center in a campaign to reduce fake claims. He called on a number of federal and state officials, explaining activities of the bureau and securing pledges of cooperation from law officers in prosecuting claim fakers when evidence justifying such action is presented.

Conditions Bad in West

Los Angeles county, long notorious as a hunting ground for easy money men, has had its full share of fake accident claimants. Casualty companies, as well as utilities, railroads and corporations generally have suffered from this plague. Fire companies have had to pay numerous claims for cars stolen in Los Angeles and raced across the Mexican border. The Metropolitan Claim Association of Los Angeles has been vigilant in following up crooked claimants, aided materially by District Attorney Fitts.

In each of the coast cities visited Mr. Parrish spoke before the local claim associations, also holding round table discussions on activities in which the claims bureau might help.

Mr. Parrish announced appointment of R. G. McCallum as field supervisor for the bureau. He will center on coordinating work of local associations with the central body, planning a program to enable speedy identification of alleged claim fakers.

Broad Membership

Membership in the Central Index Bureau is not restricted to stock casualty companies, but also embraces non-stock companies, utility corporations, railways, self-insurers and other interests against which claims are filed. The function is to check the claim fakers and repeaters.

In addition to the central office in this city, branch offices are in operation in Philadelphia, Atlanta, Cleveland, St. Louis, St. Paul, Dallas and San Francisco, and field offices in Buffalo and Chicago. The bureau is a member of and cooperates with the Massachusetts Claim Investigation Bureau, Boston, of which C. S. McKean is manager. This organization is rendering efficient service.

Unauthorized Practice Meet

The National Association Independent Insurance Adjusters was represented by a committee at the meeting of the standing committee on the unauthorized practice of law of the American Bar Association in Detroit.

Aetna Casualty Meeting

The annual agency meeting of the Harrisburg office of the Aetna Casualty & Surety Company was held Friday. The business session, with Manager C. R. Willis presiding, included talks by R. I. Catlin, vice-president; E. C. Knapp, agency secretary; A. E. Redding, field supervisor, and W. W. Ellis, home office representative.

A. M. Wegwart, local agent at Woodland, Wis., died there.

CASUALTY COMPANY STATEMENTS

Accident & Casualty —Assets, \$3,001,218; dec., \$36,507; unearned prem., \$127,717; loss res., \$9,018; liab. res., \$22,867; comp. res., \$164; capital, \$850,000; surplus, \$1,650,000. Experience:		
	Net Prems.	Losses Pd.
Accident	2,433	291
Health	273	.....
Auto liability	109,499	2,009
Other liability	25,377	297
Workmen's comp.	3,614	7
Fidelity	486	.....
Plate glass	10,026	1,153
Burglary and theft.	14,948	3,749
Auto prop. damage.	32,389	3,947
Auto collision	1,717	30
Other P. D. and coll.	443	.....
Total	\$ 201,205	\$ 11,483

Arrow Mutual Liability —Assets, \$588,210; inc., \$33,729; unearned prem., \$109,612; loss res., \$5,591; liab. res., \$18,163; comp. res., \$213,488; surplus, \$238,278; dec., \$20,606. Experience:		
	Net Prems.	Losses Pd.
Health	44,336	14,273
Other liability	11,891	1,000
Workmen's comp.	256,148	69,591
Total	\$ 312,375	\$ 84,864

Allstate —Assets, \$3,283,337; inc., \$486,410; unearned prem., \$1,039,838; loss res., \$110,521; liab. res., \$772,598; capital, \$350,000; surplus, \$684,530; dec., \$220,690. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$1,670,126	\$ 459,732
Auto prop. damage.	497,233	140,992
Total	\$2,167,359	\$ 600,724

Arrex Indemnity —Assets, \$669,629; inc., \$44,779; unearned prem., \$19,802; loss res., \$1,500; liab. res., \$4,292; comp. res., \$3,474; capital, \$433,470; surplus, \$203,732; dec., \$4,267. Experience:		
	Net Prems.	Losses Pd.
Auto liability	5,189	.....
Other liability	13,699	546
Workmen's comp.	12,679	1,154
Plate glass	523	278
Burglary and theft.	4,837	1,387
Steam boiler	813	.....
Other P. D. and coll.	153	.....
Total	\$ 37,893	\$ 3,365

Bankers Indemnity —Assets, \$6,080,390; dec., \$301,848; unearned prem., \$1,790,522; loss res., \$128,373; liab. res., \$1,501,970; comp. res., \$751,269; capital, \$800,000; surplus, \$700,000; dec., \$450,000. Experience:		
	Net Prems.	Losses Pd.
Accident	23,554	11,868
Health	3,230	1,366
Auto liability	1,287,815	598,025
Other liability	788,539	254,096
Workmen's comp.	1,119,366	496,865
Fidelity	559	4,292
Surety	—376	12,485
Plate glass	163,322	68,810
Burglary and theft.	227,781	52,747
Auto prop. damage.	368,966	140,731
Auto collision	13,857	4,437
Other P. D. and coll.	24,204	5,344
Total	\$4,020,817	\$1,651,066

Beacon Mutual Indem. Co. —Assets, \$178,225; inc., \$21,122; unearned prem., \$92,108; loss res., \$9,700; liab. res., \$32,448; capital, \$146,917; surplus, \$36,036; inc., \$17,792. Experience:		
	Net Prems.	Losses Pd.
Accident	2,370	400
Fire	11,724	3,718
Theft	10,590	2,218
Auto liability	82,774	27,882
Tornado	1,004	82
Comprehensive	1,117	459
Cargo	2,890	549
Miscellaneous	3,303	329
Auto prop. damage.	55,175	17,716
Auto collision	35,500	28,411
Total	\$ 206,453	\$ 81,767

Canadian Indemnity (U. S. Branch) —Assets, \$463,556; unearned prem., \$47,034; loss res., \$42,587; capital, \$200,000; surplus, \$111,336. Experience:		
	Net Prems.	Losses Pd.
Auto liability	48,256	17,183
Other liability	20,545	4,684
Auto prop. damage.	13,345	5,928
Total	\$ 82,147	\$ 27,796

Casualty Indem. Exch., Mo. —Assets, \$217,996; dec., \$16,308; unearned prem., \$29,581; liab. res., \$6,400; surplus, \$173,941; dec., \$21,600. Experience:		
	Net Prems.	Losses Pd.
Other liability	84,769	6,895
Total	\$ 84,769	\$ 6,895

Continental Casualty —Assets, \$30,573,901; inc., \$1,596,992; unearned prem., \$7,003,908; loss res., \$5,639,120; liab. res., \$3,818,381; comp. res., \$2,781,296; non-can. A. & H. res., \$1,414,846; capital, \$1,750,000; surplus, \$5,013,967; inc., \$1,110,770. Experience:		
	Net Prems.	Losses Pd.
Accident	\$3,494,135	\$1,191,035
Health	2,514,176	1,201,148
Non-can. H. & A.	701,292	664,812
Auto liability	4,273,847	1,795,535
Other liability	2,041,936	572,905
Workmen's comp.	3,716,659	1,476,440
Fidelity	569,498	71,405
Surety	1,039,911	176,873
Plate glass	298,034	136,751
Burglary and theft.	607,156	126,040
Steam boiler	91,753	3,008
Engine and mach.	5,615	.....
Auto prop. damage.	1,220,473	471,353
Auto collision	35,758	21,854
Other P. D. and coll.	79,414	8,816
Miscellaneous .....	.....	477
Total	\$20,689,657	\$7,918,452

Farmers Auto, Inter-Ins. Exch., Cal. —Assets, \$3,533,914; inc., \$614,698; unearned prem., \$1,416,420; loss res., \$211,286; liab. res., \$757,869; surplus, \$806,241; inc., \$154,015. Experience:		
	Net Prems.	Losses Pd.
Auto fire	\$ 180,203	\$ 32,599
Auto theft	230,632	36,730
Auto personal acci- dent	22,944	12,579
Auto liability	2,318,437	1,032,716
Auto collective car damage	93,491	28,094
Auto prop. damage.	695,800	299,448
Auto collision	1,582,342	875,244
Total	\$5,123,849	\$2,317,410

Casualty Mutual —Assets, \$240,303; dec., \$284,848; unearned prem., \$34,717; loss res., \$8,575; liab. res., \$47,636; surplus, \$55,537; inc., \$18,512. Experience:		
	Net Prems.	Losses Pd.
Auto liability	7,465	153,798
Workmen's comp.	10,148	23
Auto fire	—952	2,914
Auto tornado	373	243
Auto theft	3,203	2,891
Auto prop. damage.	—9,314	41,284
Auto collision	—3,995	32,961
Total	\$ —8,003	\$ 234,114

Car & General —Assets, \$3,748,301; inc., \$250,131; unearned prem., \$331,243; loss res., \$113,526; liab. res., \$933,705; comp. res., \$243,585; capital, \$450,000; surplus, \$945,325; inc., \$156,604. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$1,294,488	\$ 643,212
Other liability	198,380	83,019
Workmen's comp.	455,893	167,460
Plate glass	32,693	15,745
Burglary and theft.	40,310	10,334
Auto prop. damage.	395,692	134,406
Auto collision	13,997	5,952
Other P. D. and coll.	5,811	1,890
Total	\$2,437,269	\$1,062,022

Chicago Motor Club —Assets, \$3,661,887; dec., \$200,887; unearned prem., \$1,239,653; loss res., \$157,386; liab. res., \$1,131,896; surplus, \$1,031,704; dec., \$1,046,676. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$1,184,612	\$ 330,351
Auto prop. damage.	405,273	101,556
Auto collision	488,237	274,673
Other auto	394,285	51,096
Total	\$2,472,407	\$ 757,676

Citizens Mutual Auto, Mich. —Assets, \$770,348; inc., \$61,186; unearned prem., \$392,532; loss res., \$251,642; inc. adj. exp., \$396,526; dec., \$11,100. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$1,184,612	\$ 330,351
Auto prop. damage.	405,273	101,556
Auto collision	488,237	274,673
Other auto	394,285	51,096
Total	\$2,472,407	\$ 757,676

Connecticut Indemnity —Assets, \$1,189,337; unearned prem., \$251,832; loss res., \$3,976; liab. res., \$200,983; capital, \$250,000; surplus, \$405,072; dec., \$53,375. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$ 404,613	\$ 106,665
Auto prop. damage.	130,846	37,775

Erie Insurance Exchange —Assets, \$505,770; inc., \$29,883; unearned prem., \$186,220; loss res., \$25,071; liab. res., \$148,447; surplus, \$100,000. Experience:		
	Net Prems.	Losses Pd.
Auto liability	286,470	125,445
Auto prop. damage.	163,239	47,569
Auto collision	30,817	18,734
Other auto	35,130	12,496
Total	\$ 515,656	\$ 204,244

General Indemnity Exch. —Assets, \$238,645; dec., \$7,169; unearned prem., \$40,826; vol. cont. res., \$32,000; loss res., \$3,846; liab. res., \$16,408; comp. res., \$11,123; surplus, \$126,825; dec., \$4. Experience:		
	Net Prems.	Losses Pd.
Auto liability	48,023	13,686
Other liability	10,494	3,388
Workmen's comp.	19,395	10,721
Auto prop. damage.	11,813	3,614
Auto collision	4,566	850
Other auto	6,068	2,330
Total	\$ 100,359	\$ 34,589

Guarantee of North America —Assets, \$2,047,705; dec., \$37,309; unearned prem., \$137,425; loss res., \$170,994; capital, \$250,000; surplus, \$1,406,243; dec., \$38,734. Experience:		
	Net Prems.	Losses Pd.
Fidelity	\$ 159,154	\$ 46,856
Surety	114,345	1,382
Total	\$ 273,499	\$ 48,239

Casualty Reciprocal Exch., Mo. —Assets, \$2,442,905; unearned prem., \$704,999; loss res., \$865,296; surplus, \$789,573. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$ 959,428	\$ 713,895
Other liability	121,017	89,454
Workmen's comp.	804,454	487,227
Plate glass	393	121
Auto prop. damage.	352,257	242,451
Auto collision	7,034	6,785
Other P. D. and coll.	2,093	828
Other auto	21,406	3,272
Total	\$2,268,082	\$1,544,033

Federal Underwriters Exch., Tex. —Assets, \$226,911; inc., \$20,000; unearned prem., \$10,322; liab. res., \$725; comp. res., \$65,867; surplus, \$135,412; inc., \$36,010. Experience:		
	Net Prems.	Losses Pd.
Auto liability	4,474	2,953
Other liability	—1,014	1,022
Workmen's comp.	259,982	119,178
Auto prop. damage.	1,945	591
Auto collision	1,156	68
Other P. D. and coll.	1,983	13
Other auto	82	19
Total	\$ 269,383	\$ 123,844

Harleysville Mut. Casualty —Assets, \$2,564,594; inc., \$11,256; unearned prem., \$817,587; loss res., \$116,336; liab. res., \$816,138; surplus, \$602,552. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$1,183,752	\$ 470,486
Auto prop. damage.	533,393	202,505
Auto theft	35,366	5,084
Total	\$1,752,511	\$ 678,075

General Reinsurance —Assets, \$15,288,653; dec., \$810,171; unearned prem., \$2,363,558; loss res., \$1,688,166; liab. res., \$2,565,368; comp. res., \$1,328,321; capital, \$1,000,000; surplus, \$5,285,913; dec., \$111,396. Experience:		
	Net Prems.	Losses Pd.
Accident	\$ 375,905	\$ 188,705
Health	56,099	30,431
Auto liability	2,222,283	664,965
Other liability	595,757	46,786
Workmen's comp.	446,365	112,527
Fidelity	630,649	184,740
Surety	685,529	222,761
Plate glass	6,744	28,976
Burglary and theft.	453,824	42,093
Steam boiler	45,887	1,005
Engine and mach.	26,980	12,064
Auto prop. damage.	122,000	8,001
Auto collision	2,016	.....
Other P. D. and coll.	45,748	484
Credit .....	.....	—3,462
Total	\$5,715,786	\$1,540,076

Goodville Mut. Cas., Pa. —Assets, \$140,554; inc., \$19,464; unearned prem., \$51,123; liab. res., \$22,762; surplus, \$57,875; inc., \$9,772. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$ 58,586	\$ 9,992
Auto prop. damage.	43,638	8,869

Glens Falls Indemnity —Assets, \$10,042,492; unearned prem., \$2,954,424; loss res., \$3,539,248; liab. res., \$1,899,742; comp. res., \$1,000,000; surplus, \$5,285,913; dec., \$111,396. Experience:		
	Net Prems.	Losses Pd.
Auto liability	\$ 959,428	\$ 713,895
Other liability	121,017	89,454
Workmen's comp.	804,454	487,227
Plate glass	393	121

UNITED STATES GUARANTEE COMPANY

48th ANNUAL STATEMENT, DECEMBER 31, 1937

ASSETS

United States Government Bonds.....	\$ 3,588,151.97
Dominion of Canada Bonds.....	122,905.73
State and Municipal Bonds.....	941,223.05
Railroad Bonds and Stocks.....	516,830.74
Public Utility Bonds and Stocks.....	1,488,215.46
Miscellaneous Bonds and Stocks.....	4,505,916.87

Total Bonds and Stocks.....\$11,163,243.82

Cash in Banks.....\$2,086,497.22

Cash in Office..... 7,125.00 2,093,622.22

Premiums, not over three months due 653,219.80

Reinsurance Receivable 38,486.25

Accrued Interest 38,222.05

Other Assets 38,953.39

Total Admitted Assets.....\$14,025,747.53

LIABILITIES

Reserve for Unearned Premiums.....\$ 2,817,550.37

Reserve for Losses and Claims..... 2,852,451.72

Reserve for Loss Adjustment Expenses 64,705.70

Reinsurance Reserves 680,547.08

Commissions and Brokerage..... 167,025.74

Federal, State and Other Taxes..... 291,256.51

Accounts Payable 42,989.27

Special Reserve 105,923.19

Voluntary Contingency Reserve..... 750,000.00

\$ 7,772,449.58

Capital Paid In.....\$2,000,000.00

Surplus 4,253,297.95

Surplus to Policyholders..... 6,253,297.95

Total Liabilities\$14,025,747.53

Bonds and Stocks are valued in accordance with requirements of State of New York Insurance Department.

On the basis of December 31, 1937 market quotations for all bonds and stocks owned, this company's Total Admitted Assets and its Surplus would be increased by \$183,520.61.

Securities carried at \$849,508.82 in the above statement are deposited as required by law.

DIRECTORS

A. M. ANDERSON, *J. P. Morgan & Co.*

New York

WM. HENRY BARNUM,

President, Continental Realty Investing Co., Inc. New York

HENDON CHUBB, *Chubb & Son*

New York

PERCY CHUBB, 2nd, *Chubb & Son*

New York

CLINTON H. CRANE,

President, St. Joseph Lead Co. New York

EDWARD D. DUFFIELD,

President, Prudential Insurance Co. New Jersey

D. ROGER ENGLAR,

Bigham, Englar, Jones & Houston

New York

WILLIAM A. HAMILTON

Hamilton, Ont.

ROBERT A. LOVETT,

Brown Brothers Harriman & Co.

New York

JUNIUS L. POWELL, *Chubb & Son*

New York

GEORGE H. REANEY, *President*

New York

REEVE SCHLEY,

Vice-President, Chase National Bank

New York

J. Y. G. WALKER, *Walker Bros.*

New York

HOME OFFICE

90 John Street

NEW YORK, N. Y.

WASHINGTON SERVICE BUREAU

Shoreham Building

Washington, D. C.

WESTERN DEPARTMENT

Insurance Exchange Bldg.

Chicago, Ill.

SOUTHERN DEPARTMENT

Hurt Building

Atlanta, Ga.

res., \$1,063,243; capital, \$1,000,000; surplus, \$1,886,903. Experience:		
Net Prems.	Losses Pd.	
Accident	\$ 227,733	\$ 104,900
Health	19,373	6,220
Auto liability	2,157,847	971,319
Other liability	991,656	245,761
Workmen's comp. ..	1,405,117	549,227
Fidelity	229,764	64,776
Surety	630,821	217,403
Plate glass	165,795	67,249
Burglary and theft. .	331,589	81,004
Auto prop. damage. .	605,380	215,233
Auto collision	53,922	37,490
Other P. D. and coll. .	55,910	9,264
Total	\$6,874,923	\$2,569,727

Inland Bonding —Assets, \$816,404; dec., \$52,999; unearned prem., \$148,593; loss res., \$22,152; capital, \$250,000; surplus, \$250,000. Experience:		
Net Prems.	Losses Pd.	
Fidelity	30	
Surety	308,517	\$ 26,117
Total	\$ 308,547	\$ 26,117

Iowa State Traveling Men's —Gross assets, \$442,039; loss res., \$192,895. Experience:		
Net Prems.	Losses Pd.	
Accident and health. \$	774,211	\$ 564,458

Illinois Commercial Men's —Assets, \$1,018,231; surplus, \$603,826.		
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Illinois Casualty —Assets, \$575,011; dec., \$18,981; unearned prem., \$153,436; loss		
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res., \$13,802; liab. res., \$108,715; capital, \$200,000; surplus, \$60,436; dec., \$798. Experience:		
Net Prems.	Losses Pd.	
Auto liability	\$ 184,042	\$ 70,808
Fire	24,172	9,058
Windstorm	8,633	2,515
Burglary and theft. .	27,880	3,809
Auto prop. damage. .	85,056	41,024
Auto collision	82,704	58,899
Total	\$ 413,490	\$ 186,115

Interboro Mutual Indemnity —Assets, \$4,383,599; inc., \$302,053; unearned prem., \$382,863; loss res., \$61,621; liab. res., \$771,014; comp. res., \$900,726; surplus, \$1,240,719; inc., \$19,043. Experience:		
Net Prems.	Losses Pd.	
Auto liability	\$ 865,219	\$ 279,687
Other liability	149,046	57,277
Workmen's comp. . .	1,015,425	467,291
Auto prop. damage. .	206,889	66,757
Other P. D. and coll. .	2,960	777
Total	\$2,239,539	\$ 871,789

Keystone Mutual Cas. —Assets, \$224,445; inc., \$160,687; unearned prem., \$101,501; loss res., \$7,780; liab. res., \$25,762; capital, \$10,000; surplus, \$2,328; dec., \$2,750. Experience:		
Net Prems.	Losses Pd.	
Auto liability	\$ 126,934	\$ 17,315
Other liability	9,108	856
Plate glass	3,477	1,453
Burglary and theft. .	3,914	1,168
Auto prop. damage. .	55,327	11,979

Net Prem.	Losses Pd.	
Auto collision	881	627
Other P. D. and coll. .	636	8
Total	\$ 200,177	\$ 33,406

Lloyds of Minneapolis —Assets, \$1,723,830; unearned prem., \$478,748; loss res., \$52,825; liab. res., \$159,865; capital, \$250,000; surplus, \$938,754; inc., \$32,806. Experience:		
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Net Prems.	Losses Pd.	
Auto fire	\$ 39,216	\$ 10,690
Auto theft	18,312	4,688
Auto tornado	3,669	591
Comprehensive	88,415	21,808
Auto collision	108,560	67,557
Auto liability	536,467	288,456
Auto prop. damage. .	184,050	75,464
Liability—other than auto	2,411	
Property damage—other than auto. .	214	
Miscellaneous	6,583	3,205
Total	\$ 987,897	\$ 472,459

Loyal Protective —Assets, \$1,721,275; unearned prem., \$167,355; loss res., \$280,383; non-can. A. & H. res., \$56,757; capital, \$400,000; surplus, \$560,045. Experience:		
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Net Prems.	Losses Pd.	
Accident and health. \$	692,356	\$ 385,079
Non-can. H. & A. . .	557,180	190,679
Total	\$ 1,249,536	\$ 575,758

Premiums and losses are those of Loyal Protective before merger (Jan. 1-

June 30) and the accident department of Loyal Protective Life after merger (July 1-Dec. 31) combined to cover the entire year.

Limited Mut. Compensation, Cal. —Assets, \$760,790; inc., \$234,189; unearned prem., \$177,286; comp. res., \$461,174; surplus, \$85,250; inc., \$30,004. Experience:		
Net Prems.	Losses Pd.	
Workmen's comp. . .	\$ 752,310	\$ 283,260

London Guarantee & Accel. —Assets, \$15,076,188; dec., \$39,325; unearned prem., \$3,375,375; loss res., \$389,375; liab. res., \$1,899,822; comp. res., \$3,743,190; capital, \$900,000; surplus, \$3,743,120; dec., \$660,443. Experience:		
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Net Prems.	Losses Pd.	
Accident	\$ 173,085	\$ 60,094
Health	14,439	7,395
Water damage	1,806	83
Auto liability	2,065,953	979,394
Other liability	1,148,067	346,118
Workmen's comp. . .	2,823,769	1,386,386
Fidelity	360	—3,102
Surety	33,618	12,507
Plate glass	164,142	63,537
Burglary and theft. .	321,298	79,882
Steam boiler	162,767	8,531
Engine and mach. . .	55,094	10,433
Auto prop. damage. .	595,448	213,303
Auto collision	28,159	17,072
Other P. D. and coll. .	90,048	12,265
Credit	791,100	110,549
Total	\$8,467,063	\$3,279,137

Maryland Casualty —Assets, \$38,093,569; dec., \$570,544; unearned prem., \$11,531,659; loss res., \$3,329,886; liab. res., \$5,765,784; comp. res., \$6,664,881; capital, \$2,544,798; surplus, \$4,773,543; dec., \$702,698. Experience:		
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Net Prems.	Losses Pd.	
Accident	\$1,184,020	\$ 451,557
Health	171,080	99,432
Auto liability	6,589,736	3,345,592
Other liability	3,222,009	1,164,998
Workmen's comp. . .	7,755,372	3,927,218
Fidelity	1,551,111	390,584
Surety	2,619,962	311,602
Plate glass	424,059	173,288
Burglary and theft. .	1,198,965	260,182
Steam boiler	618,219	64,579
Engine and mach. . .	291,133	40,898
Auto prop. damage. .	1,967,696	837,420
Auto collision	76,696	51,432
Other P. D. and coll. .	148,309	47,247
Sprinkler	107,934	29,992
Total	\$27,926,301	\$11,196,021

Massachusetts Protective —Assets, \$10,009,461; inc., \$223,578; unearned prem., \$1,393,397; loss res., \$2,891,024; non-can. A. & H. res., \$1,589,648; capital, \$1,000,000; surplus, \$2,710,890; dec., \$86,575. Experience:		
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Net Prems.	Losses Pd.	
Health	\$ 225,823	\$ 190,516
Non-can. H. & A. . .	6,913,672	3,699,972
Total	\$7,139,495	\$3,890,488

Merchants Indemnity, N. Y. —Assets, \$2,540,811; dec., \$502; unearned prem., \$377,442; loss res., \$2,019; liab. res., \$577,664; comp. res., \$44; capital, \$700,000; surplus, \$823,590; dec., \$101,154. Experience:		
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Net Prems.	Losses Pd.	
Accident	\$ 1,506	\$ 395
Auto liability	709,606	206,473
Other liability	16,077	2,749
Workman's comp. . .		166
Surety	22,127	
Plate glass	29,600	12,160
Burglary and theft. .	7,449	1,125
Auto prop. damage. .		15
Other P. D. and coll. .	619	1
Total	\$ 786,984	\$ 223,084

Michigan Mutual Liab. —Assets, \$6,416,687; inc., \$825,173; unearned prem., \$2,042,045; loss res., \$191,217; liab. res., \$495,244; comp. res., \$1,827,798; surplus, \$1,249,300; inc., \$1,870. Experience:		
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Net Prems.	Losses Pd.	
Accident & health. \$	209,873	\$ 134,931
Auto liability	1,004,800	399,500
Other liability	127,783	13,034
Workmen's comp. . .	3,332,078	1,466,268
Plate glass	2,102	1,325
Auto comprehensive & complete cover. .	167,699	25,065
Auto prop. damage. .	469,921	231,403
Auto collision	382,234	342,278
Other P. D. and coll. .	17,376	792
Fire, theft & tor. . .	88,893	28,739
Total	\$5,802,819	\$2,643,335

Monarch Life —Assets, \$4,815,640; inc., \$636,427; unearned prem., \$487,839; loss res., \$445,009; non-can. A. & H., \$305,511;		
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Bankers Indemnity Insurance Co.

Newark, New Jersey

« Casualty Affiliate of The American Group »

FINANCIAL STATEMENT, DECEMBER 31, 1937

As filed with Insurance Department of the State of New York

ADMITTED ASSETS

Bonds and Stocks	\$3,374,439.62
First Mortgages on Real Estate (F. H. A.)	551,816.65
First Mortgages on Real Estate (Other)	231,350.00
Real Estate	96,832.92
Cash in Banks and Office	762,582.80
Premiums Outstanding (Not over three months due) ..	1,015,966.70
Interest Accrued	29,107.61
Other Admitted Assets	18,293.92
	\$6,080,390.22

LIABILITIES

Premium Reserve	\$1,790,522.00
Claim Reserve	2,381,612.00
Commissions to become due	212,268.04
Taxes, Expenses, etc. Payable	95,382.84
General Voluntary Reserve	100,605.34
Capital	800,000.00
Surplus	700,000.00
	\$6,080,390.22

Note: Securities carried at \$448,537.87 in the above statement are deposited as required by law.

Surplus to Policyholders **\$1,500,000.00**

capital, \$445,600; surplus, \$667,565; inc., \$107,116. Experience:

	Net Prems.	Losses Pd.
Health	\$ 237,668	\$ 124,070
Non-canc. H. & A.	2,459,762	1,177,638
Total	\$2,697,430	\$1,301,708

Motor Carriers Mut., Iowa—Assets, \$27,506; inc., \$7,307; surplus, \$5,310; inc., \$265. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 23,631	\$ 12,123
Auto prop. damage	16,101	4,639
Auto collision	63	.....
Auto fire & theft	125	2
Cargo	16,797	3,542
Total	\$ 56,717	\$ 20,306

Motor Indemnity, Ind.—Assets, \$2,089,081; inc., \$781,827; unearned prem., \$1,449,747; loss res., \$250,138; liab. res., \$482; surplus, \$369,145; inc., \$44,161. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 3,753	\$ 30
Burglary and theft	375,884	84,151
Auto prop. damage	1,818	543
Auto collision	1,753,875	1,270,932
Other auto	287,474	89,981
Total	\$2,422,804	\$1,445,637

Motor Vehicle Casualty Co.—Assets, \$1,005,357; inc., \$62,504; unearned prem., \$160,937; loss res., \$19,525; liab. res., \$178,775; capital, \$200,000; surplus, \$76,772; dec., \$73,227. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 468,091	\$ 160,355
Auto theft	69,519	8,470
Auto prop. damage	186,012	43,093
Auto collision, plate glass, towing and comprehensive	170,456	108,972
Fire and windstorm	49,945	8,191
Total	\$ 944,023	\$ 329,081

Motorists Mutual, Ohio—Assets, \$800,253; inc., \$143,535; unearned prem., \$350,310; loss res., \$40,939; liab. res., \$223,660; capital, \$15,000; surplus, \$130,763; inc., \$7,324. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 338,831	\$ 133,737
Glass breakage	2,729	1,052
Theft, fire, windstorm	71,629	12,796
Auto prop. damage	147,055	66,897
Auto collision	88,853	59,790
Total	\$ 649,097	\$ 274,272

National Grange Mut. Liab.—Assets, \$1,518,241; unearned prem., \$497,809; loss res., \$59,347; liab. res., \$579,266; surplus, \$328,679. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 970,390	\$ 274,434
Auto prop. damage	323,439	76,401
Auto collision	25,120	11,136
Total	\$1,318,949	\$ 361,971

National Indem. Exch., Mo.—Assets, \$159,778; dec., \$11,481; unearned prem., \$91,876; loss res., \$3,519; liab. res., \$6,235; surplus, \$131,880; dec., \$6,212. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 10,213	\$ 4,512
Plate glass	399	.....
Burglary and theft, fire on goods of others	76,140	21,736
Auto prop. damage	3,384	2,131
Auto collision	584	113
Other auto	1,189	56
Total	\$ 91,912	\$ 28,550

Norwich Union Indemnity—Assets, \$2,109,008; unearned prem., \$102,876; loss res., \$25,320; liab. res., \$358,275; comp. res., \$360,804; capital, \$500,000; surplus, \$686,947; inc., \$2,332. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 33,501	\$ 11,974
Health	2,307	1,476
Auto liability	88,723	183,740
Other liability	26,124	72,867
Workmen's comp.	24,295	67,439
Plate glass	6,396	6,082
Burglary and theft	8,432	2,564
Auto prop. damage	25,957	17,011
Auto collision	4,061	3,524
Other P. D. and coll.	1,070	76
Total	\$ 220,872	\$ 366,759

Northwest Casualty, Wash.—Assets, \$1,843,185; inc., \$236,438; unearned prem.,

\$664,685; loss res., \$29,568; liab. res., \$384,226; capital, \$400,000; surplus, \$318,499; dec., \$157,715. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 883,523	\$ 292,984
Other liability	43,689	8,674
Surety	1,000	.....
Plate glass	19,156	7,022
Burglary and theft	32,896	8,005
Auto prop. damage	148,758	58,942
Auto collision	134,777	75,335
Other P. D. and coll.	2,203	186
Other auto	49,639	14,798
Total	\$1,315,641	\$ 465,947

Preferred Automobile, Mich.—Assets, \$909,156; inc., \$96,520; unearned prem., \$331,598; loss res., \$43,650; liab. res., \$187,625; comp. res., \$31,357; capital, \$200,000; surplus, \$78,604; inc., \$8,912. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 354,425	\$ 141,820
Auto prop. damage	170,143	59,337
Auto collision	116,326	92,567
Other auto, fire, theft, and misc.	94,207	23,600
Total	\$ 735,101	\$ 317,324

Preferred Acel.—Assets, \$8,808,817; unearned prem., \$1,798,468; loss res., \$720,652; liab. res., \$1,680,475; capital, \$1,000,000; surplus, \$2,809,171; inc., \$57,214. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 554,696	\$ 192,631
Health	49,219	28,597
Auto liability	2,489,884	988,208
Other liability	107,798	4,940
Fidelity	117,182	51,905
Surety	86,122	50,124
Plate glass	51,747	39,216
Burglary and theft	236,567	67,421
Auto prop. damage	667,260	233,408
Auto collision	32,891	9,964
Other P. D. and coll.	3,604	40
Total	\$4,396,971	\$1,666,455

Pennsylvania Casualty—Assets, \$730,904; unearned prem., \$292,067; loss res., \$12,044; liab. res., \$137,951; vol. res., \$10,000; capital, \$200,000; surplus, \$51,349; inc., \$11,037. Experience:

	Net Prems.	Losses Pd.
Accident & health	\$ 51,092	\$ 28,508
Auto liability	490,467	100,359
Auto prop. damage	210,186	65,314
Auto collision	8,995	4,788
Total	\$ 760,740	\$ 198,969

Protective Indemnity—Assets, \$1,723,570; unearned prem., \$189,406; loss res., \$25,320; liab. res., \$129,093; capital,

\$500,000; surplus, \$776,953; inc., \$1,240. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 15,645	\$ 3,896
Health	57	.....
Auto liability	224,602	69,290
Other liability	1,416	.....
Plate glass	16,035	9,826
Burglary and theft	78,856	19,313
Auto prop. damage	48,633	17,881
Auto collision	1,353	1,738
Other P. D. and coll.	40	.....
Total	\$ 386,637	\$ 121,944

Reserve Mut., Mo.—Assets, \$181,272; inc., \$122,023; unearned prem., \$41,996; loss res., \$260; surplus, \$111,847; inc., \$71,220. Experience:

	Net Prems.	Losses Pd.
Fidelity	\$ 780	\$\$
Surety	59,247	.....
Auto collision	2,757	48
Other P. D. and coll.	75	.....
Other auto	19,025	3,196
Total	\$ 81,884	\$ 3,244

Security Mutual Casualty—Assets, \$9,557,042; inc., \$83,320; unearned prem., \$980,934; loss res., \$21,258; liab. res., \$790,903; comp. res., \$2,134,659; surplus, \$2,850,000. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 1,019	\$ 671
Auto liability	486,330	196,667
Other liability	279,347	87,499
Workmen's comp.	1,744,367	641,303
Fidelity	9,483	53
Surety	4,277	.....
Burglary and theft	323	.....
Steam boiler	13,374	84
Engine and mach.	32,528	67
Auto prop. damage	59,071	6,382
Auto collision	265	201
Other P. D. and coll.	18,238	1,105
Total	\$2,648,622	\$ 934,032

State Automobile, Ind.—Assets, \$4,041,401; inc., \$109,637; unearned prem., \$1,373,179; loss res., \$198,861; liab. res., \$713,050; surplus, \$1,100,000. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$1,358,060	\$ 762,683
Auto prop. damage	564,371	370,672
Auto collision	645,605	566,905
Other auto	232,740	55,421
Total	\$2,800,776	\$1,755,681

Sun Indemnity—Assets, \$6,162,384; inc., \$160,160; unearned prem., \$1,419,092; loss res., \$285,524; liab. res., \$1,272,856; comp.

res., \$559,406; capital, \$1,000,000; surplus, \$1,183,440; dec., \$254,168. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 87,034	\$ 31,530
Health	29,908	15,152
Auto liability	1,305,182	885,743
Other liability	385,923	172,052
Workmen's comp.	624,024	278,316
Fidelity	38,371	8,279
Surety	56,575	3,498
Plate glass	98,514	39,099
Burglary and theft	167,041	47,745
Auto prop. damage	500,816	206,921
Auto collision	21,388	9,215
Other P. D. and coll.	6,605	2,549
Total	\$3,321,381	\$1,708,099

Traders & General—Assets, \$1,947,250; inc., \$359,227; unearned prem., \$163,481; loss res., \$16,988; liab. res., \$110,944; comp. res., \$634,628; capital, \$250,000; surplus, \$281,659; inc., \$26,957. Experience:

	Net Prems.	Losses Pd.
Auto fire	\$ 33,123	\$ 19,503
Auto theft	14,584	2,378
Auto liability	169,959	128,067
Other liability	234,240	19,282
Workmen's comp.	1,552,379	762,870
Auto tornado	1,203	219
Auto misc.	4,899	183
Plate glass	14,803	6,124
Burglary and theft	6,125	783
Auto prop. damage	56,612	24,123
Auto collision	39,386	21,762
Other P. D. and coll.	26,837	320
Total	\$2,154,150	\$ 985,614

Tri-State Casualty—Assets, \$210,843; inc., \$28,894; unearned prem., \$70,231; liab. res., \$9,063; comp. res., \$62,295; capital, \$50,000; surplus, \$8,733; inc., \$5,578. Experience:

	Net Prems.	Losses Pd.
Other liability	\$ 7,950	\$ 753
Workmen's comp.	217,160	95,908
Total	\$ 225,110	\$ 96,661

Truck Insurance Exchange, Cal.—Assets, \$580,214; inc., \$183,584; unearned prem., \$118,755; loss res., \$77,800; liab. res., \$161,381; surplus, \$151,158; inc., \$26,098. Experience:

	Net Prems.	Losses Pd.
Auto fire	\$ 44,312	\$ 15,257
Auto theft	1,376	1,533
Auto cargo	32,995	11,113
Auto liability	480,744	163,279
Auto prop. damage	206,032	87,735
Auto collision	59,266	28,806
Total	\$ 824,725	\$ 307,723

(CONTINUED ON NEXT PAGE)

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(CONT'D FROM PRECEDING PAGE)

United Automobile—Assets, \$408,256; inc., \$124,849; unearned prem., \$34,609; loss res., \$13,054; liab. res., \$35,295; capital, \$250,000; surplus, \$52,145; inc., \$41,801. Experience:

	Net Prems.	Losses Pd.
Auto fire, theft.....	\$ 13,829	\$ 8,249
Auto liability.....	60,347	73,153
Auto prop. damage.....	35,202	30,562
Auto collision.....	16,344	34,874
Total	\$ 125,723	\$ 146,840

United Casualty—Assets, \$224,077; inc., \$3,187; unearned prem., \$34,441; loss res., \$29,099; non-can. A. & H. res., \$2,304; capital, \$100,000; surplus, \$51,134; dec., \$5,912. Experience:

	Net Prems.	Losses Pd.
Accident and health.....	\$ 302,918	\$ 117,199

Union, Ind.—Assets, \$801,574; inc., \$21,033; unearned prem., \$342,904; loss res., \$38,112; liab. res., \$95,847; capital, \$200,000; surplus, \$80,104; dec., \$53,439; Experience:

	Net Prems.	Losses Pd.
Fire	\$ 20,853	\$ 6,901
Tornado	7,096	2,674
Auto liability	269,079	128,138
Other liability	871	160
Surety	1,890	6,880
Plate glass	16,246	8,637
Burglary and theft.....	375	200
Auto fire	25,713	7,355
Auto theft	46,070	6,341
Auto prop. damage.....	131,795	43,159
Auto collision	155,952	109,885
Other P. D. and coll.....	7	.....
Other auto	14,150	6,403
Total	\$ 690,103	\$ 312,975

United States Casualty—Assets, \$9,394,139; unearned prem., \$2,395,133; loss res., \$3,594,167; liab. res., \$1,447,411; comp. res., \$1,789,494; capital, \$1,000,000; surplus, \$1,721,455. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 251,447	\$ 106,258
Health	94,140	56,537
Auto liability	1,471,857	698,688
Other liability	1,158,033	516,250
Workmen's comp.	2,252,397	1,073,700
Fidelity	113,938	28,095
Surety	207,288	57,153
Plate glass	108,720	43,264
Burglary and theft.....	248,981	85,671
Auto prop. damage.....	445,519	157,087
Auto collision	13,903	7,876
Other P. D. and coll.....	56,492	5,218
Total	\$6,421,720	\$2,835,800

United Pacific, Wash.—Assets, \$2,188,522; inc., \$204,571; unearned prem., \$749,496; loss res., \$101,147; liab. res., \$320,932; comp. res., \$6,379; contingent res., \$50,000; capital, \$400,000; surplus, \$401,126; inc., \$52,150. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 20,405	\$ 11,453
Health	80,834	46,304
Auto liability	670,537	313,879
Other liability	205,212	41,397
Workmen's comp.	7,665	2,789
Fidelity	31,636	5,732
Surety	97,381	24,048
Plate glass	23,553	11,861
Burglary and theft.....	41,613	5,650
Steam boiler	3,583	69
Auto prop. damage.....	273,525	102,280
Auto collision	182,563	90,533
Other P. D. and coll.....	18,931	4,772
Other auto	104,904	26,042
Total	\$1,762,342	\$ 686,809

United States Mutual—Assets, \$194,672; inc., \$43,581; unearned prem., \$54,670; loss res., \$16,501; liab. res., \$63,910; surplus, \$36,282; inc., \$3,865. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 131,375	\$ 58,025
Auto prop. damage.....	66,503	22,520
Auto collision	7,774	4,491
Other auto	28,715	2,401
Total	\$ 234,367	\$ 87,437

Virginia Auto Mut.—Assets, \$187,048; inc., \$31,732; unearned prem., \$84,141; loss res., \$5,405; liab. res., \$32,837; capital, \$13,700; surplus, \$28,134; inc., \$3,284. Experience:

	Net Prems.	Losses Pd.
Auto liability	\$ 100,085	\$ 38,898
Auto fire	849	1,001
Auto theft	149	58
Auto prop. damage.....	44,933	18,531
Auto collision	926	1,179
Cargo liability	4,129	1,036
Total	\$ 151,072	\$ 60,702

Wisconsin Acc. & Health—Assets, \$37,992; dec., \$4,407; unearned prem., \$4,538; loss res., \$1,562; liab. res., \$1,562;

NEWS OF CASUALTY COMPANIES

New York Indemnity's Estate

Status of the Company That Collapsed When the Union Indemnity Failed—Dividend Was Recently Paid

NEW YORK—The New York department as liquidator of the New York Indemnity has paid a 6 percent dividend, aggregating \$131,000, to approved policy claimants in different sections of the country. A farther slight dividend may be expected later, the department having unearthed some additional realizable assets. On a careful rechecking on claims previously passed upon, it found allowances in some instances had been too liberal, and will be pared accordingly.

There is to the credit of the company a deposit of \$7,000 in Ohio, although whether the New York department as liquidator will be able to secure this for the benefit of general creditors is doubtful. The Ohio superintendent holds firmly to the belief that the special deposit belongs to creditors in that state.

Formed in 1922 as a subsidiary of the old National Surety, the New York Indemnity operated independently until 1929, when its entire stock was purchased by the Insurance Securities Co. of New Orleans, a holding corporation of the Union Indemnity. On the collapse of the Union Indemnity in 1933, the New York Indemnity was taken over for liquidation by the department here at the same time. In a report issued April 16, 1936, Superintendent Pink, as liquidator, showed \$253,130 free assets, with liabilities of \$3,404,516, and recommended to the court allowance of \$2,238,018, covering some 2,400 claims. At the same time he recommended to the receivers of the Union Indemnity in New Orleans that creditors be awarded a dividend on business of the New York Indemnity taken over by the former organization. The Union Indemnity paid a dividend of 3½ percent in that connection.

National Casualty Statement

The National Casualty of Detroit has assets \$4,003,690, of which \$1,074,207 are federal securities. There is \$540,402 cash. Its premium reserve is \$863,183, claim reserve \$693,157, capital \$750,000 and net surplus \$750,000. Among the directors are some insurance officials of note. Aside from those being connected with the National Casualty home office personnel are President F. D. Layton, National Fire of Hartford; Chairman H. A. Behrens, Continental Casualty; Western Manager George H. Bell, National Fire at Chicago; M. P. Cornelius, president Continental Casualty.

Glens Falls Indemnity Report

The assets of Glens Falls Indemnity at the end of the year amounted to \$10,042,492, premium reserve \$2,954,424, loss reserve \$3,588,923. Capital is \$1,000,000 and net surplus \$1,866,904.

capital, \$25,000; surplus, \$5,091; dec., \$1,134. Experience:

	Net Prems.	Losses Pd.
Accident & health.....	\$ 51,866	\$ 21,443

Zurich—Assets, \$29,055,133; inc., \$2,272,871; unearned prem., \$4,843,482; loss res., \$765,305; liab. res., \$7,397,470; comp. res., \$6,289,465; capital, \$600,000; surplus, \$3,500,000. Experience:

	Net Prems.	Losses Pd.
Accident	\$ 553,506	\$ 220,808
Health	954,614	592,616
Auto liability	4,612,930	1,507,961
Other liability	2,859,025	675,084
Workmen's comp.	4,934,087	2,203,427
Plate glass	192,344	79,435
Burglary and theft.....	435,714	94,022
Auto prop. damage.....	909,493	377,046
Auto collision	19,234	6,746
Other P. D. and coll.....	140,939	17,360
Total	\$15,611,886	\$5,774,505

Examine First Reinsurance

Connecticut Department Reports on the European and Bowes & Awtry Situations

HARTFORD—The Connecticut department has completed its examination of First Reinsurance, which comprises practically the entire investment portfolio of Russia International Corporation and which is about 40 percent owned by the Russia Insurance Company. The examination covers the period from April 30, 1935 to Aug. 31, 1937.

During this period First Reinsurance had a loss from underwriting of \$226,887, and a gain from investments of \$318,615. There was a loss of \$22,437 from liquidation of foreign business and another loss of \$37,434 from SEC registration expense. Legal expenses incidental to the insurance of 50,000 shares of \$10 par stock in May, 1936, were \$29,820. This was to increase capital to \$1,000,000. It was also provided that a minimum of 45,000 shares should be sold by Nov. 14, 1936, but this sale not having been accomplished, the contract was declared terminated.

Foreign Business Terminated

"Due to a succession of unprecedented unfavorable economic and political circumstances in Europe during recent years, commencing in 1931," the report states, "the continuance of the foreign business became inimical to sound business practice and as of Dec. 31, 1934, all contracts in force were terminated pursuant to their terms." The company had entered the foreign field in 1925, through its connection with the Russia, and had developed a premium volume of \$574,000 by 1931.

There remained on the books at the end of the period covered by the examination foreign assets to the amount of \$46,170 and a reserve for unpaid claims of \$31,724. The company was relieved of liability on foreign business in November, 1937, by surrendering to the foreign ceding companies all European assets as well as an additional payment of \$7,384.

Use of more specific terms in the writing of motor carrier insurance contracts was suggested by the examiner, referring particularly to terms such as "advance premium" and "deposit premium," which seem to be used almost interchangeably and to create difficulty of interpretation. The report goes into considerable detail on this motor carrier business.

Contract with Awtry

In June, 1936, First Reinsurance entered into contract with John H. Awtry to be general manager and supervisor for a three year period. This was consequent to the resignation of George E. Turner as president. Carl F. Sturhahn was elected president, then succeeded by Awtry, Mr. Sturhahn becoming chairman of the board. Because the company is not permitted to write direct business, Bowes & Awtry of New York, was appointed exclusive United States manager of the motor transportation department of the Commercial Casualty, receiving, however, no compensation from Commercial Casualty but a 15 percent commission from First Reinsurance on business accepted.

The statement showed reserve for claims \$533,909, premium reserves \$177,014, surplus \$434,713, and assets of \$1,737,751.

The new annual report of First Reinsurance shows net premiums written in 1937 were 50.67 percent greater than for 1936, and the earned incurred loss ratio was 43.4 percent, as against 50.3 percent for 1936.

Last year the company wrote net premiums of \$635,321 and incurred

losses of \$299,868. Expenses paid were \$113,658.92, decrease \$40,978.

Assets showed a decline of \$30,011 to \$1,636,864 after absorbing net losses of \$105,378 from the sale or maturity of securities and after taking into account a net depreciation on a convention basis of \$74,643 in the investment portfolio.

All remaining obligations under European contracts of reinsurance were liquidated during the year, and the company entered 1938 with no foreign business or obligations.

Illinois Report Made on United States Mutual

The Illinois department has made a report on the United States Mutual with home office at 3401 South Michigan avenue, Chicago. The examination is as of Nov. 1. Its assets are \$187,543 and surplus \$22,795. The report says it is the company's practice to deny liability on claims incurred during so-called lapsed periods, that is the intervals between issuance of binders, although a full annual premium is charged on the policy, and no extension of the expiration date is made to compensate for the premium charged covering lapsed periods. The department finds that 63.7 percent of the assets are non-interest bearing bank deposits. It writes only automobile insurance.

C. A. Barrett is president and treasurer and K. J. Gross, vice-president and manager. It only operates in Illinois. Its fire and theft coverages are written at annual rates, collision is written from 15 to 25 percent off, public liability and property damage are written with a discount of 32.23 percent. The premiums up to Nov. 1 were \$189,397 and total income \$193,123. There was paid in claims \$65,395 and the total disbursements were \$155,082. Its unpaid claims were \$83,208. Its premium reserve is \$54,490.

The examiners state that loss reserves have been underestimated. Insurance Director Palmer states that on all business written after Nov. 1, 1937, the full premium for the term indicated in the policy should be entered on the date the binder becomes effective. The date of the policy issued subsequently must be the same as the date of the binder and that date must be used in computing premiums in course of collection over 90 days old.

The examination refers to the policy provision to the effect that if during the original term or any renewal term any portion of the premium be in arrears there shall be no liability during such arrears and subsequent acceptance of payment does not alter or extend the term for which the payment is made.

The examiners give two or three examples. The original binder was issued for one assured Nov. 1, 1936, expiring in 30 days. There was a "lapse" and a second binder was issued Dec. 12, 1936. On Dec. 10, an accident occurred and the company denied liability. The policy itself was issued Jan. 18, 1937, to expire Nov. 1, 1937, and the full annual premium was collected.

After Nov. 1, the examination states, all new business must be issued on a one binder basis.

The reserve loss level for 1934-36 projected through Oct. 31, 1937, disclosed an average under estimation of 50 percent, the examiners state. An individual case basis review developed a 27.8 percent under estimation. The examiners used the case basis in making their report.

Outstanding surplus note advances amount to \$60,500. The Illinois Automobile Club advanced \$26,500 and Edward Overton advanced \$29,000.

General Reinsurance Showing

Net surplus of General Reinsurance now amounts to \$5,285,913. This compares with \$5,397,309 at the end of 1936. Net premiums written amounted to \$3,715,786, an increase of about \$500,000. This is attributed both to new treaties and to increased volume from those pre-

viously in effect. The net underwriting profit in 1937 amounted to \$564,240 as compared with \$609,482 in 1936.

General Reinsurance and its subsidiaries, including North Star, the fire reinsurance company, returned a consolidated net profit of \$886,244. This is equal to \$4.43 per share on General Reinsurance Corporation stock. Dividends paid during 1937 amounted to \$400,000, being 81 percent of the combined net investment income of General Reinsurance and North Star.

Great Lakes Casualty Statement

The Great Lakes Casualty of Detroit shows assets \$1,200,860, claim reserve \$164,719, premium reserve \$441,107, capital \$300,000, net surplus \$200,000. Last year 9,742 claims were disposed of. Premium income was \$881,807, increase 29 percent. Of the total 68.3 percent are liquid assets. For every dollar of liability there is \$1.75 in assets. Bonds represent 37.9 percent of the assets, stocks 13.4 percent. Its cash is 17.1 percent.

Florida Receiver Appointed

TALLAHASSEE, FLA.—Florida assets of the defunct Chicago Lloyds were placed in a receiver's hands by Circuit Judge Johnson. Commissioner Knott was placed in charge of \$20,000 of bonds on deposit here to Chicago Lloyds credit, \$3,639 in the Union Trust Company of St. Petersburg and \$100 in the First National Bank of Tampa.

ACTION IN ARKANSAS

LITTLE ROCK—A temporary injunction was entered in chancery court here last week forbidding Commissioner Harrison to dispose of \$20,000 posted as bond by Chicago Lloyds. Plaintiff is D. Canale & Co., which charged Chicago Lloyds has refused to adjust 11 claims filed against it as result of an automobile accident in Jackson county Nov. 1, 1937.

Allstate Premiums Advance

Combined premium writings of the Allstate and Allstate Fire of Sears, Roebuck & Co., in 1937 were \$2,619,336, an increase of \$800,000. The writings consist exclusively of automobile. Combined assets are \$3,797,753, increase about \$600,000. Contingency reserve is \$200,000 and combined surplus to policyholders of the two companies is \$863,984. The companies are now licensed in 35 states.

Surplus Is \$275,145

A typographical error occurred in the statement of the Celina Mutual Casualty, the surplus being shown as \$75,145, while the correct figure is \$275,145.

Cash in on **Hoodoo Day**—for sales plan details write The Accident & Health Review, 175 W. Jackson Blvd., Chicago.

The Colfax Insurance Service, **South Bend, Ind.**, has been incorporated by R. A. Muessel, W. M. Hildebrand and C. A. Fletcher.

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CHANGES

Massachusetts Bonding to Expand in Two States

The Massachusetts Bonding, which has decided to become much more active in Oklahoma, at first intended to open a branch office at Oklahoma City but decided that it will develop the territory through the Dallas office. Sam Riley is manager at Dallas and is now devoting part of his time to Oklahoma in organization work. The company is now ready to extend its activities in North Carolina. Vice-President Spencer Welton at the head office in Boston is mapping out plans to build an agency organization in that state. The Massachusetts Bonding will be heard from in both of these states.

Allied Agency Appointed by National Surety

The Allied Agency, Insurance Exchange, Chicago, has been appointed general agent for all lines by the National Surety. F. M. Chandler, Jr., has taken charge of the automobile, burglary and surety department in the agency under direction of Manager Philip Levy. The Allied Agency in May will observe its 10th anniversary.

Mr. Chandler goes from the Milwaukee agency of Chris. Schroeder & Son Company, with which he has been connected for some time. He is the son of the well known former Chicago casualty manager, having received training under his father, then for some time being connected with the Cook county department of the Royal Indemnity, Chicago.

Hardware Mutual's New Offices

The Hardware Mutual Casualty of Stevens Point, Wis., has opened a policy writing office at Dallas, Tex., augmenting the former claims and sales departments. The office has been moved from the Kirby building to the Allen building. S. L. Larson is department manager and the office will employ 37 persons, 17 having been transferred from Stevens Point.

A new Pittsburgh office also is being opened at 429 Fourth avenue. J. A. Miller, salesman for the company in Pennsylvania since 1933, is manager.

Wunderlich to Royal Indemnity

The Royal Indemnity has appointed J. M. Wunderlich special agent to travel the territory extending from Long Beach to Santa Barbara, Cal.

For the past 10 years he has had charge of the insurance department of Armistead & Gamble, Pasadena. Before that he had been with the Aetna Casualty in St. Louis for several years.

Miazza with Calhoun & Barnes

Angelo J. Miazza has joined the Calhoun & Barnes general agency of New Orleans which represents Standard Surety & Casualty and Sun Indemnity. He will travel Louisiana and Mississippi as special agent. He has been traveling these states for more than 25 years. Headquarters will be at 308 Camp street, New Orleans. He formerly was with the Fire Companies Adjustment Bureau.

Successful Racket Campaign

NEW YORK—According to a weekly survey by the claims bureau of the Association of Casualty & Surety Executives, courts acted last week against five persons for offenses involving the liability claim racket.

Mrs. Allie Korszna was sentenced by a St. Louis court to six months in the workhouse following conviction on charges of making false affidavits in connection with intentional falls in street cars. She received a concurrent sen-

tence for obtaining money under false pretenses.

W. C. Rindone, Brooklyn attorney, was disbarred by the appellate division of the second department, one charge being he had failed to turn over \$75 given him by a client to settle a suit.

In Toledo, H. H. Miller, attorney, was convicted on three charges of ambulance chasing.

In Chicago, Harold Jackson, a lawyer, and his investigator, J. J. Stahl, were found guilty of conspiring to defraud the Monon railroad by means of a fraudulent accident claim. These convictions followed the setting aside of a \$50,000 judgment against the railroad when five witnesses in the civil suit confessed their testimony was perjured.

Speaks On Blanket Bonds

ST. LOUIS—F. H. Doenges, resident vice-president Fidelity & Deposit, spoke on "Bankers Blanket Bonds" at a meeting of the local chapter of the Bank Auditors & Comptrollers Association.

PERSONALS

H. Lloyd-Jones, deputy U. S. manager of the London Guarantee and vice-president of the Phoenix Indemnity, spent last week in Chicago. He stopped in Buffalo on his return.

C. L. Allen, president of the Beacon Mutual Indemnity, who has been spending some time at Fort Lauderdale, Fla., broke the record for big fish there, when he landed a blue marlin weighing 526 pounds. The fish was caught off shore near Bimini and was so large it was necessary to transfer it to another boat to bring it into port.

The American Mutual Alliance, 919 North Michigan avenue, Chicago, has put out a booklet entitled, "What is the Practice of Law in Missouri?" It gives

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DECEMBER 31st, 1937

CAPITAL	\$ 2,000,000.00
Surplus	3,028,782.81
Voluntary Catastrophe Reserve	500,000.00
Reserve for Losses	4,358,549.45
All Other Liabilities	1,902,463.60
TOTAL ADMITTED ASSETS	11,879,775.86

NOTE: Securities carried at \$363,743.75 in the above statement are deposited as required by law.

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a factual presentation of the current controversy between casualty companies and the bar committee of Missouri as to what constitutes the practice of law, and of the decision of the circuit court of Boone county in the suit growing out of the situation. The controversy leading up to the action is given and then the decision of the court, the memorandum by Judge Afee and the advisory opinion of Judge Dearing are given.

Henry Thole, vice-president of the Seaboard Surety, has been visiting San Francisco conferring with company executives and the general agency of Wentz & Erlin.

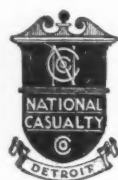
Mrs. Lissa W. Martin has been appointed manager of the insurance department of the Holcomb-Brown Realty Co., Little Rock, Ark. She has been in the insurance business in Little Rock for 15 years.

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ACCIDENT AND HEALTH

Merriam Issues Proclamation

California Governor Stresses Importance of Accident & Health Insurance Week

Governor Merriam of California has issued a proclamation officially designating the week beginning April 24 as Accident & Health Insurance Week in that state. He says:

"A purposeful educational campaign, designed to protect and keep intact the American family by preserving its economic security when income ceases due to disability from ill health or accident, is worthy of commendation.

"The American home should be a business enterprise—organized, managed and protected. It should always be maintained on a solvent basis and protected against bankruptcy. Yet in the majority of homes, the difference between ordinary living and actual want is only a matter of a few weeks when regular income ceases. In most cases, the only real economic asset back of the family is the good health and current earning ability of its breadwinner.

"During periods of disability caused by ill health or accidental injury, mounting medical and other expenses not only impair and dissipate any existing family accumulations, but actually threaten the security of the family unless its earning power is insured.

"In an effort to protect our citizens against the losses occasioned by accident and sickness, may we encourage, cooperate and assist in this humanitarian program to disseminate pertinent information on the vital need for this protection."

Federal Life's Statement

The assets of the Federal Life of Chicago are \$16,421,076, increase \$670,993.

The surplus gained \$5,000 and in addition there is a special contingency reserve of \$50,000 established. The company sets aside \$100,000 as reserve for real estate and mortgage depreciation. The surplus is now \$368,094. Its cash and federal government securities are \$1,430,415 and other government bonds \$2,658,485. There is only one bond in default, it being for \$1,500.

Plan Detroit Membership Drive

DETROIT—Plans for an intensive membership drive by the Detroit Accident & Health Association were launched at an executive committee meeting, to lead up to the annual sales congress April 22. H. H. Jones, Commercial Casualty, was appointed chairman of the membership drive committee.

Claim Men to Hear Kutak

The Chicago Claim Association will hold its March meeting next Wednesday night in the private dining room of the Triangle restaurant at 57 West Randolph street. Jerome F. Kutak, counsel for the Sterling Casualty, will speak on "Current Trends in Insurance Law."

State Health Bill in R. I.

PROVIDENCE, R. I.—A state health insurance bill, based on the model bill of the American Association for Social Security, is receiving active support on its third appearance before a Rhode Island legislature this year. It provides for a state fund created by compulsory contributions by all workers in the state, including agricultural workers and domestic servants.

Get a copy of the 1938 Survey Edition of The Accident & Health Review by subscribing now. \$2 a year. 175 W. Jackson Blvd., Chicago.

CASUALTY ASSOCIATION NEWS

M. R. Kline President of N. J. Claim Association

NEWARK.—At the annual meeting of the New Jersey Claim Association, M. R. Kline, General Accident, was elected president; L. G. Teague, American Mutual Liability, vice-president; F. J. Wendt, Fidelity & Casualty, secretary; E. I. Bell, New Jersey Bell Telephone Co., treasurer.

The board of governors includes F. J. Cippler, Travelers; R. V. Spell, Hartford Accident; H. B. Kiefer, Century Indemnity; G. L. Brown, Indemnity of North America, and E. F. Cooke, Maryland Casualty.

H. J. Hargraves, in charge of the New Jersey claim investigation bureau, outlined the work of the bureau and its activities the past year, followed by a general discussion of the outlook for the year from a claim standpoint, particularly in view of the present rate situation.

Adjusters to Combat Bar

LOS ANGELES.—At a luncheon of the Casualty Insurance Adjusters Association of Los Angeles, President W. B. Cleves announced the appointment of C. Thiele, as chairman of the new ways and means committee to combat any activity of the bar association in its drive to eliminate casualty adjusters from allegedly practicing law in connection with their duties.

Mr. Thiele suggested that matters be taken up with home offices to determine who will arrange defense if after April 1 any adjuster is arrested for violation of bar practice. He also suggested that adjusters who are attorneys join the bar

association to keep in touch with movements of that body.

Charles Whitehead, chief nurse of Los Angeles receiving hospitals, was guest speaker.

A conference was held with Frank M. Parrish, general solicitor Casualty & Surety Executives Association, New York City about establishing a branch of the Pacific Coast Index Bureau in Los Angeles and the appointment of a local investigator to handle fraudulent claims. Mr. Parrish asked for 30 days to consider the question.

Liaison Committee Named

KANSAS CITY.—W. R. Evans, American Surety; Robert Hawley, Travelers, and William Moffatt, U. S. F. & G., have been named on the committee that keeps in touch throughout the year with the Kansas Association of Insurance Agents on mutual problems.

Griffin Boston Speaker

BOSTON.—The Boston Association of Casualty Underwriters at its March meeting will hear a description of the operation of the New Hampshire financial responsibility law by John F. Griffin, commissioner of motor vehicles in that state.

Columbus Association Elects

The Columbus (O.) Accident & Health Association has elected the following officers: President, C. A. Sholl, president Globe Casualty; vice-president, A. D. Hall, Massachusetts Indemnity; secretary-treasurer, O. K. Johnson, Business Men's Assurance; chairman executive committee, W. B. Cornett, Loyal Protective Life, retiring president

of association. Other members of the executive committee are Franklin Toops, Travelers; James Daly, United Commercial Travelers; S. Glenn Moyer, North American Accident; George O. Tomlins, Ohio State Life, and James Marks, Massachusetts Protective.

The new officers will be installed at the first annual banquet of the association March 11. Claris Adams, president Ohio State Life, will be guest speaker.

Casualty Engineers Election

The Casualty Engineers Association of Chicago will hold its annual election of officers at a dinner meeting, March 11. No slate has been prepared, all nominations will be made from the floor. J. G. Loeding, Western Casualty & Surety, secretary of the association, requests that reservations be made early for this meeting.

N. J. Underwriters Meet March 16

The Casualty Underwriters Association of New Jersey will hold a luncheon meeting in Newark March 16.

COMPENSATION

Oklahoma Approves Proposals

OKLAHOMA CITY.—The Oklahoma insurance board has approved proposals filed by the National Council on Compensation Insurance limiting the standard liability for coverage provided under Par. 1-b, to \$5,000 for all damage arising from personal injuries or death of one person in each accident, with a total of \$10,000 for two or more injured in the same accident.

New California Commissioner

SAN FRANCISCO.—Judge L. J. Maddux of Modesto, Cal., has been appointed a member of the California industrial accident commission to succeed F. C. MacDonald. The appointment was well received by compensation insurance interests.

The governor reappointed T. A. Reardon as director of the department of industrial relations and member of the commission.

Award to Sanatorium Worker

MILWAUKEE.—Employees of public health institutions who contract disease as a result of contact with patients are entitled to compensation the Wisconsin industrial commission has ruled in a claim made by R. B. Bernau, who had worked at the Statesan tuberculosis sanatorium near Wales, Wis.

Air Hygiene Leader Reports

PITTSBURGH.—H. B. Meller, managing director Air Hygiene Foundation, announced in his annual report that 200 industrial concerns are now supporting the foundation's studies for the prevention of occupational disease. This work, he said, is progressing at several centers, including the Saranac Laboratory, Moore School X-Ray Laboratory at the University of Pennsylvania, and at Mellon Institute.

"During the past year six states passed laws compensating workmen for occupational diseases," he observed. "Twenty-one states and the District of Columbia now have such laws. Eight other states are considering enacting this legislation. In the next few years all of the industrial states will probably have passed laws for this purpose. We must seek out ways and means of stringently curbing or controlling industrial diseases. Otherwise industry and the community may be burdened with mounting compensation costs, to say nothing of the loss in earning and buying power of the affected workmen and his dependents."

Henry D. Sayer of the Association of Casualty & Surety Executives is one of the 15 trustees.

Compulsory Auto Measure Introduced in New Jersey

NEWARK—Assemblyman Pesin of Hudson county introduced in the New Jersey legislature this week a measure requiring that all motor vehicles, except those under supervision of the Interstate Commerce Commission, shall carry \$5,000 to \$10,000 liability coverage and \$1,000 property damage. It also provides for state regulation and rate-fixing of insurance. This measure will be strongly opposed by company executives and agents in general. Several weeks ago the Union, N. J., grand jury advocated passing such a measure, due to the large number of automobile fatalities in New Jersey.

Bureau of Motor Carriers Carries on Safety Campaign

The bureau of motor carriers of the Interstate Commerce Commission at Washington has been giving much attention to the safety of operation of its own fleet of official cars operated by district directors and supervisors. Director W. Y. Blanning in a letter to THE NATIONAL UNDERWRITER says:

"We regard seriously our responsibility for the safety of operation of our field men, just as we expect motor carriers to do with their own drivers and vehicles, and we are finding this daily contact with actual operating problems a valuable guidance in our broader work of regulation. This latter task, of course, is our main duty (involving, as you know, analysis of motor carriers' accident reports, study of driver qualifications and experience, constant technical questions, and many other items), but helpful light is shed upon it by this work with our own men."

A safety program for the field personnel dealing with driving, maintenance rules and setting forth driving qualifications is provided. A safety bulletin is issued. A complete card index record is kept of all bureau and motor carrier drivers' accidents. It participates in the fleet contest of the National Safety Council, passenger car group.

Reduce Baltimore Burglary Rates

Residence burglary rates in the city and county of Baltimore have been reduced about 16 percent, effective Monday of this week. The county has been moved from territory 3 to territory 6. This reduces the rate for forms 1 and 2 in private and two family houses from \$18.15 to \$15 for the first \$1,000. For apartments and hotel rooms the comparable reduction is from \$22 to \$18.

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New Hampshire Law Upheld

The New Hampshire supreme court has rendered a decision upholding the constitutionality of the state's automobile financial responsibility law enacted in 1937. The validity of the law was questioned in several cases presented to the high court in briefs in which it was claimed several sections of the law produced hardships.

The statute provides motorists involved in fatal accidents or accidents resulting in injury or property damage of more than \$25 are immediately "grounded" until they can provide proof of financial responsibility. Many cars have been inconveniently detained in the state for longer or shorter periods under the statute.

Insurance Men on Staff

Among newly elected officers of the Baltimore Safety Council are J. F. Matthai, United States Fidelity & Guaranty, assistant treasurer, and Holger Jensen, Maryland Casualty, and Wilmer Carter, Mason & Carter, who were added to the board. G. P. Knox, Keystone Auto Club, was elected vice-chairman.

Case on Driving Car Under Age Limit to Highest Court

What constitutes driving a car under the minimum age limit in an automobile policy is a question taken on certiorari to the United States Supreme Court by the State Farm Mutual of Bloomington, Ill., in the California case of State Farm vs. James D. Coughran. The case was set for hearing in Washington on Tuesday of this week.

A woman who with her husband was head of a private school was using her husband's car to take home a pupil 13 years old. The pupil was allowed to sit in the driver's seat and do the driving in all respects except one. When the car overtook a truck the woman directed the pupil to go around it, and when the pupil had started to pass the truck the woman took hold of the wheel and changed the direction of the car. A moment later there was a collision resulting in injuries for which suit was brought.

The car was insured in the State Farm Mutual and both the woman and the pupil came under the omnibus clause, except that the policy, under the heading "risks not assumed by this company," provided that "the company shall not be liable and no liability or obligations of any kind shall attach to the company for losses or damage: (E) Caused while the said automobile is being driven or operated by any person whatsoever either under the influence of liquor or drugs or violating any law or ordinance as to age or driving license." Driving by a person of the age of 13 was illegal, and could not be made legal, under the laws of California.

The injured got judgment of \$5,000, on which execution was returned unsatisfied, and then proceeded against the State Farm Mutual. The certiorari is taken from the judgment in the circuit court of appeals against the company.

DeCelles Is Upheld

BOSTON—The full bench of the Massachusetts supreme judicial court upheld the action of Commissioner DeCelles in refusing to issue a certificate of incorporation to the Aristos Mutual Liability. The Aristos was one of four newly formed companies which sought certificates of incorporation and approval from the commissioner. The commissioner refused all four, alleging that the ostensible incorporators in each case were dummies. The other three companies have also appealed.

Leahy Made Special Agent

NEWARK—T. H. Leahy, special agent in New Jersey for the Commercial Casualty for 14 years, was appointed special agent American Indemnity in New Jersey with headquarters in this city. He is well known throughout the state. Prior to becoming affiliated with the Commercial Casualty he was connected with the U. S. F. & G., as special agent for a year.

Fort Worth Agency's New Lineup

Mitchell, Gartner & Thompson, Fort Worth, Tex., have resigned representation of the Employers Liability, and have made a connection with the United States Guarantee. They will continue representation of the American Surety for a portion of their fidelity and surety lines.

Griffin With the Employers

S. W. Griffin, formerly with the Illinois Mutual Casualty of Peoria has been made accident special agent for the Employers Liability at its Chicago office. He will promote accident sales with agents in Illinois.

Death of Mrs. A. L. Parent

A. L. Parent, general agent, for 25 years of the Massachusetts Bonding, Lewiston, Maine, is receiving condolences of friends following the death of

Mrs. Parent whose funeral occurred Tuesday. C. E. Miller, assistant secretary, and Special Agent George O'Donnell represented the home office at the funeral.

Opens New Atlanta Office

ATLANTA—American Surety and New York Casualty have moved into new and spacious offices in the William Oliver building. A. A. Davis is manager.

W. G. Leas, superintendent of accounts, is being feted by his associates because March 1 he completed 40 years of continuous service with American Surety in Atlanta. He was the first man employed in Atlanta and has served under four managers. He was assistant manager for 25 years, but in 1933 was appointed superintendent of accounts for the southeastern territory.

Hartford Accident Statement

The Hartford Accident's annual statement shows admitted assets \$66,674,088, capital \$3,000,000, net surplus \$15,000,000, reserve for claims and suits \$26,064,073, unearned premiums \$15,188,279, commissions \$1,471,117, taxes \$2,114,062, for sundry bills \$253,400, for unadmitted reinsurance \$68,202, voluntary reserve \$3514,352.

Los Angeles Association Elects

H. G. Methmann, manager Fireman's Fund Indemnity, was elected chairman of the Casualty Association of Los Angeles; W. J. McKinnon, superintendent Great American Indemnity, vice-chairman, and A. E. Walker, manager Eagle Indemnity, secretary-treasurer.

Retiring Chairman J. E. Joseph, manager, Ocean Accident, reviewed the accomplishments of the past year. The name of the organization was changed to Casualty Insurance Association of Southern California.

A. L. Davis, 75, San Marcos, Tex., local agent, died at his home there.

N. H. Forbids "Fronting" for Unauthorized Insurers

"Fronting" for unauthorized insurance carriers on motor vehicle risks is forbidden in New Hampshire by a ruling of Commissioner Rouillard. This practice has also been forbidden recently in Ohio and Missouri.

The practice has been for motor truck and bus lines to buy insurance where they could get it, sometimes in companies admitted in only a few states, or from London Lloyds. Various states require motor truck and bus companies to file liability insurance as a condition for receiving a truck or bus license in the state. There has been difficulty in states where the insurance carrier was not licensed and the practice has been to get around this by inducing a licensed insurance company to file its own policy, the risk being 100 percent reinsured in the insurance company having the line. A small percentage of the premium has been paid for the accommodation.

In his ruling Mr. Rouillard declares the ultimate effect of this procedure is to assist and enable unauthorized companies to do an insurance business in New Hampshire. He therefore rules that no licensed company or agent shall file or assist in the filing of any policy of insurance of whatever nature, in behalf of or for the benefit of any unauthorized insurance carrier with any regulatory body in that state, such as the public service commission. Companies that have already filed are given 30 days to cancel. If agents have been offering such arrangements to companies or individuals, they are to discontinue such offerings immediately.

Harris Goes to Home Office

Philip Harris, formerly in the Wilmington, Del., office of the Employers Liability has taken charge at the home office in Boston as claim supervisor of the accident department.



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EXPERIENCE BY LINES IN 1937

(CONTINUED FROM PAGE 17)

East & West			Net Prem. Losses Pd.			Fire			Ocean marine			Motor vehicle			Earthquake			Inland marine			Tornado-windstorm			Sprinkler leakage			Riot and explosion																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
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Safe Driver Plan First Step in Auto Program

(CONTINUED FROM PAGE 23)

companies. He quoted figures showing the lowering proportion of the volume which the bureau companies have been able to retain.

The bureau companies, he said, began to meet questions, what is the bureau going to do, and when is it going to do something. It was at this point that he announced that the safe driver reward plan is but the first step. He said the studies began many months ago. All sorts of ideas were discussed and developed but the safe driver plan seemed the one most nearly effective. It was purposely made simple, without conditions or trimmings.

Two Sources of Opposition

The opposition, he felt, came mainly from two sources, agents who were concerned over the nominal drop in commissions, and the outside companies that felt that their price advantage was threatened. He pointed out that many of the agency leaders do not represent bureau companies. He observed that the insurance department opposition has come mainly from the states where the outside interests are strong.

Mr. Catlin believes that the appeal of the safe driver plan to the public is powerful. He referred to the talk and discussion that has been created and to the editorials in newspapers complimentary to the companies. He said the safe driver plan is both defensible and practical.

He referred to the appeal made by President C. F. Liscomb of the National Association of Insurance Agents, who said the agents should not overlook that the plan has a powerful public appeal.

The public believes that the companies should discriminate among drivers, Mr. Catlin declared.

Advantage to Producer

The advantage to the producer is in a new and better sales approach, the appeal to the driver as an individual, and the help it gives in meeting competition. He pointed out that with a \$50 manual premium, the outside rate has been \$40, in the main. The safe driver plan brings the bureau rate down to \$42.50. On a \$25 premium the figures become \$21.25 against \$20.

It will help the producers retain their old business and to develop new. People with first-class driving records have held off because they felt that they were not being treated rightly. Many of those who dropped their insurance on account of the cost can now be sold at the new rate.

The reward plan, Mr. Catlin declared will be of great help in retaining the automobile insurance business for private enterprise. There is a growing public resentment because there are too many uninsured drivers. There are 12 states with legislative committees now considering legislation for compulsory insurance or state fund insurance. There is a demand for the strengthening of financial responsibility laws. Many states wish to avoid the Massachusetts plan. Where such laws are broached, they may go too far, and state funds may be established, instead of stopping with compulsory private insurance. The states may interfere with rates and commissions, wherever insurance becomes compulsory. The \$1,000 policy, with its low cost, will still further extend insurance benefits, and reduce the demands for state action.

Conservation of business is another big objective. At present from 16 to 18 percent of the premiums go off the bureau company books every year. In other words, they have to write 16 to 18 percent of new business in order to hold even. In recent years \$50,000,000 in manual premiums have been inherited by the non-bureau companies from the bureau companies.

In regard to the increase in rate, he

said this has been entirely misunderstood. In a great many states there is no increase at all, or even a reduction, and the 15 percent reward can be added to the reduction. In other states, where losses have been bad, there are big increases, but the increase on account of the safe driver plan is scarcely perceptible. If the plan is not allowed in such states, the agents will have to contend with rate increases, without anything to take the edge off.

Cut in Commissions Slight

As to the cut in commissions, he said this cut is not 5 percent. To the producer it is .7 percent, and to the general agent .8 percent on the premiums received and retained by the company.

Mr. Catlin showed that the reward plan does not weaken the stock company's principle of guaranteed cost. He held that it is not discrimination, inasmuch as the reward is open to every driver who can earn it. It is not rebating because it is a frank condition of the policy, available to every policyholder.

Answering questions Mr. Catlin cleared up a number of points. He said that the plan can be made retroactive on policies issued in December and January, in states where the plan took effect Feb. 1. A comprehensive loss will not affect the credit, because the safe driver plan has no connection with anything but the liability and property damage. Where the company, in financial responsibility states, is required to furnish evidence of responsibility, the 15 percent credit will be lost for one year in most circumstances where the charge for the financial responsibility certificate is 10 percent. Where the charge is 25 percent, the reward will be lost for the first three years. In those states where joint name schedules are permitted, including employer and employee as insured, the reward will be available on such schedules.

May Need Modification

Asked what determines the putting up of a reserve, Mr. Catlin said that this is determined after investigation of the accident. He thought there would have to be some smoothing out of the plan on those cases where an accident occurs near the end of the policy year, a reserve is put up and is still up at the end of the 30-day period, but finally the reserve is taken down without any payments being made to a third party.

Payments for first aid, for attorney fees, or for investigation will not forfeit the reward.

The reward applies to all premiums that are applicable to liability and property damage, such as drive other cars, etc. Similarly, a loss on a drive other cars endorsement will forfeit the reward.

He admitted the possibility of trouble with customers who lose their reward because the company chooses to pay money for a release, when the insured is confident that he was not to blame in the accident. However, he thinks that this trouble will be limited to a very small number of cases.

Consideration of the plan started with a suggestion of 5 percent the first year, 10 the second, and 15 percent the third year. It was realized that nothing less than 15 percent would be effective in meeting the rate reductions of the outside companies. The first thought was to have the reward forfeited by any accident, but it was realized that this might tend to prevent the reporting of accidents, which would be dangerous for the insured and the company. It is estimated that there are about two accident reports to one claim.

Mr. Potter took up points that directly affect the selling. He referred to the facts, demonstrated on the trip, that the agents are turning strongly toward the plan. He quoted J. W. Henry of Pittsburgh, who said all he hears is

"When can we have this plan in Pennsylvania?"

Mr. Potter pointed out the big field for new sales created by the amalgamation of the W, X and Y classes into the W class. He said that 72 percent of all Y cars sold second hand are sold to people with less than \$2,000 a year income. Mostly they have refused to pay the Y rates and hence carry no insurance. He declared that every Y car in the country now becomes a prospect, and they are coming in fast.

The Aetna party was at Newark, N. J., on Feb. 4, when the plan had been in force there only four days. Mr. Potter was telling the gathering of agents that the plan would work, when an agent asked to relate his experience. He said that in February of last year he had lost six risks because of a 20 percent differential. As soon as he heard that the plan would be effective in New Jersey, he went after these risks and already had the order for 1938 on all of them. As to public interest, Mr. Potter related an amusing incident. After the meeting in Kansas City, he attended a dance, and as he led his partner to the dance floor she asked, "Tell me about this something new in automobile insurance."

SURETY

U. S. Supreme Court Holding Settles a Vexing Issue

NEW YORK—Refusal of the United States Supreme Court to grant a rehearing of its previous decision holding a surety company not bound to pay a claim under business ceded it, unless the direct writing institution settled, disposed finally of the issue, about which a diversity of opinion long existed among surety underwriters. The special committee of the Surety Association of America charged with drafting a revised reinsurance agreement for member companies has not yet concluded its labors; although steady attention has been and is being devoted to the problem.

Study Equity Rating Idea

John Pabst, manager Fireman's Fund Indemnity, is serving as chairman of a committee of the Surety Association of Chicago that is making a study of the desirability and feasibility of introducing the equity rating principle in the fidelity and surety field so as to provide organization companies with greater freedom in competing with London Lloyds and cut rate surety companies. Mr. Pabst expects to make a preliminary report at the meeting next Tuesday.

Bay State Group Elects

BOSTON.—The Surety Underwriters Association of Massachusetts has re-elected Frank B. Hammond, manager American Surety and New York Casualty, as president. H. W. Webster will continue as vice-president; G. W. Berry, treasurer, and V. L. Kleppenburg, secretary.

Surety Business More Active

While toward the close of the year there was a considerable slump in contract bond business, surety companies report that the market has improved in recent weeks. There are some large federal government projects on hand and also other proposals coming up in which municipalities, states and counties are interested.

Aetna Conference in Michigan

GRAND RAPIDS, MICH.—A sales conference conducted here by the Aetna Casualty attracted approximately 75 western Michigan representatives. Several home officials were present to give instruction on proper selling methods. John F. Horton, Detroit, state man-

ager and formerly head of the Grand Rapids branch, presided. Franklin D. Yost, Grand Rapids manager, assisted Mr. Horton. From the home office were E. C. Knapp, agency secretary; Amos Redding, field superintendent; William Ellis, home office representative, and Frank C. Ogden, assistant fidelity manager. The Borden-Busse motion picture "How to Make a Sales Presentation Stay Presented," was shown.

Seek to Recover from Estates

Commissioner Carpenter of California has filed three suits in superior court at Los Angeles to recover \$457,380 on behalf of the old Pacific Mutual Life. The suits were against the estates of the late Henry M. Robinson and the late Lee A. Phillips, based on the allegation that the two men, acting as directors, voted for payment of dividends to stockholders when the condition of the company did not warrant such payment.

For Aggressive Agents - - -

The Buckeye Union offers financial strength — prompt claim service — up-to-the-minute sales and advertising aids—standard policies.

It will pay you to investigate the Buckeye Union, an aggressive stock company for aggressive agents. Writing Automobile, Plate Glass, Burglary and General Liability. Write for complete information.

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Buckeye Union
Casualty Co.
HOME OFFICE
Columbus, Ohio

TO SERVE OUR AGENTS:

Los Angeles Branch Office
Denver Branch Office
Chicago Branch Office

Oklahoma City Service Office
Houston Service Office
St. Louis Service Office
Dallas Service Office
San Francisco Service Office

San Antonio Claims Office
Tulsa Claims Office

COMMERCIAL STANDARD
INSURANCE COMPANY
FORT WORTH, TEXAS

Idea of Long Haul Truck Pool Now Gains Support

(CONTINUED FROM PAGE 21)

the rehabilitation machinery. Part of the trouble of the defunct Manufacturing Lumbermen's Underwriters of Kansas City was due to its truck cargo business.

London Lloyds has been quite a factor in the business but the report is that the London underwriters are cooling off considerably. Lloyds have been forced to enter into so called "fronting" arrangements in order to comply with the various state and federal requirements. That is, Lloyds will make a deal whereby some regularly admitted company will file its policy for the insured truck men but Lloyds will assume 100 percent of the liability. However, obstacles have developed to such arrangements. The Missouri department sometime ago ruled that an admitted company could not file its policy in behalf of a non-admitted operator and the Ohio department just the other day took similar action. New Hampshire followed suit this week.

The small companies are running into all sorts of difficulties due to the Interstate Commerce Commission regulation to the effect that an insurer must be licensed in all states in which its assured truck man operates.

Want Good Insurance

Those familiar with the trucking industry say that the truck men today want good insurance. Until a year or so ago, many truck men were not much concerned about the security of their insurance. If an insurer was licensed and if its policy would enable the truck man to get his necessary papers from the state, he was satisfied.

However, truckers have now had experience with insurance company failures. They have been faced with assessments and they have had to defend their own lawsuits. Because of the increasing complexity of federal and state regulation, it is not so easy as it was for a trucker to go out of business under one name and to open up under another.

A pool of leading stock companies would not provide cheap insurance. However, the most responsible elements in the trucking business might come to the conclusion that the pool would offer the ultimate solution to the problem and would be willing initially to pay a higher cost for their insurance for the sake of stability and permanence.

Previous attempts to organize pools of casualty companies have failed for several reasons. For one thing, casualty companies have been suspicious of what the other fellow would do. For instance, one casualty company might now have some truck business on its books that it regards as profitable and well underwritten. Such companies have taken the position that they did not want to turn over to a pool their good business on the theory that other companies might use the pool as a dumping ground for poor business. Those interested in the now contemplated pool are fully aware of that attitude and they do not intend that the pool shall become a dumping ground.

Resignation to National Bureau

(CONTINUED FROM PAGE 21)

which the negotiations leading up to its resignation have been handled by the manager of the bureau, and it is most hopeful that at some future time a situation will develop which will enable it to resume membership.

In the meantime the Continental Casualty proposes to cooperate with the National Bureau as to rates and practices on all lines of insurance in all territories, with the sole exception of pri-

vate pleasure car business in those territories where the safe driver reward plan is made applicable. This is also to be considered as a statement of the position of the National Casualty.

Alabama O. K.'s Safe Driver Plan; Oklahoma Rejects It

(CONTINUED FROM PAGE 21)

than 10 percent. The board voted to rescind its action of Feb. 9 as to that portion approving the commercial filings on class 4 light, remainder of state territory, and approved a rate of \$32 per p. l. for use of all companies. The board declined the filing of the bureau regarding garage liability and requested a filing of not less than 10 percent reduction. The filings are to be made to the board by March 14. The board believes these reductions are in order because of the 1937 statements which have been received, indicating a good experience in Oklahoma and believes that the department of public safety should be projected as a rate making factor, Commissioner Read explained.

A. V. Gruhn, general manager American Mutual Alliance, sent a communication to the Oklahoma Insurance Board. He said that the mutual casualty rating bureau which serves the American Mutual Alliance companies, had filed a new set of rates, which do not embrace the reward plan and, therefore, do not contain the loading of 4.8 percent which is part of the safe driver plan. "We do not oppose approval of the plan for use by companies which have filed it," Mr. Gruhn stated. "If there is disposition to impose the plan upon carriers which have not filed it, we shall strongly oppose its application to our companies. In event such action on part of your board is suggested we respectfully request hearing on that question. We shall appreciate your approval of our rates as filed."

SITUATION IN OHIO

COLUMBUS—Superintendent Bowen of Ohio states there has been no change in the safe driver reward case. It has been proposed that "premium deposits" be made, with a payment back to the policyholder if he has no accidents within the year, but it is understood the department does not look with favor on this plan. Whether the reward plan is a violation of the anti-rebate law is a close question, it is declared.

Drop Maryland Casualty Case

JEFFERSON CITY, MO.—Injunction proceedings brought by the Missouri state bar committee against the Maryland Casualty on the grounds that certain of its lay employees were engaged in the unauthorized practice of law were dismissed by the committee before the Missouri supreme court.

Boyle G. Clark of Columbia, chairman of the committee, explained that the suit involved the same issues as in the committee's suit against six mutual casualty companies, which is pending before the supreme court on an appeal taken by the companies from a ruling of the Boone county circuit court at Columbia, which held that the settlement of claims by casualty companies through lay employees constituted unauthorized practice of law.

European General Strong Exhibit

Assets of European General Reinsurance amount to \$20,277,589, a gain of nearly \$800,000 for the year. Bonds amount to \$12,775,155 and cash is \$1,595,104. Loss reserve amounts to \$7,984,254, increase about \$200,000. Premium reserve is \$5,150,844, a gain of about \$600,000. There is a special reserve of \$777,056 and surplus to policyholders \$4,000,000.

J. E. O'Donnell and Ray Martin opened an agency at 936 Engineers building, Cleveland, as Martin & O'Donnell.

Maryland Casualty in Fortieth Anniversary

BALTIMORE—The 40th anniversary of the founding of the Maryland Casualty on March 1, 1898, was observed this year at the home office. In the four decades of its existence, the company has grown from a small organization with only seven employees in a two-room home office to its present status as one of the foremost casualty and surety companies. Keeping constantly alive to new requirements in the casualty and surety fields, the Maryland Casualty has contributed substantially to these types of underwriting. Today the company writes more than 40 types of casualty insurance and more than 20 general bonding lines. Through 10,000 agents, contacted by more than 100 general agents and branch offices, the company does business in the United States, Canada, Alaska, Cuba, the Canal Zone, Puerto Rico and Hawaii.

The anniversary finds alive only one of the seven original employees who started with the company on its founding in 1898. He is a Negro messenger, Geo. H. Carter, who at the age of 68 remains in active service as a messenger to the executive officers.

As a part of the observance of its anniversary year, the company plans to hold a three-day celebration next June. General agents and branch office heads who qualified in a production contest during 1937 will be guests of the company for the celebration in Baltimore and Atlantic City.

O'Connor Gives Sales Talk

Personal Element Is a Prominent Feature in the Sale of Accident Insurance, U. S. Casualty Man Says

NEW YORK—Declaring that the personal element is more prominent in accident insurance than in any other division of underwriting E. H. O'Connor, assistant secretary United States Casualty and former chairman of the Bureau of Personal Accident & Health Underwriters, amplified the statement in his address at the fourth in the series of meetings arranged by the Accident & Health Club of New York to inform brokers more thoroughly as to the business getting opportunities of accident and health line. He pointed out the producer is brought into close contact with his clients in handling claims, a happening that occurs more frequently in the accident line than in other divisions of insurance, and thus paves the way for additional prospects. He refuted the too widely held belief that once it settles a claim the carrying company cancels the policy, asserting on the contrary numerous claims have been paid the same assured several times; cancellation being effected only when a policyholder as a result of an accident compensated for becomes an impaired risk.

"There are no bargains in accident insurance," he averred, full indemnity being worth all charged for it. Bureau companies use standard forms of contract and charge uniform rates. Notable he maintained, is the present day demand for medical reimbursement coverage, the possibilities for the sale of which he said is well nigh limitless, urging brokers to actively canvass for the sale of such coverage.

W. L. Kick, Century Indemnity, served as chairman while an illustration of claim handling was portrayed in a skit participated in by Hugo Henn, Indemnity of North America; W. B. Hulse, Ocean Accident, and G. A. Colligan, Fireman's Fund Indemnity. The next meeting will take place March 15.

State Insurance Taxes

WASHINGTON, D. C.—The United States Chamber of Commerce has gotten out its annual bulletin referring to special state insurance taxes, giving sta-

tistics as to each state. In 1936 \$4,946,553 was spent for the maintenance of state insurance departments, the remaining \$93,054,303 collected being used for other purposes. The U. S. chamber finds that the insurance business alone furnishes about 4 percent of the funds for meeting general expenses of the states in addition to paying the cost of insurance supervision. On the average of every dollar of insurance taxes only 5.05 cents was spent for supervisory service. Comparing 1936 with 1935 the compilation says 27 states and the District of Columbia had increases and 21 decreases in policyholders' service.

Rules on Restoration of License

COLUMBUS—The attorney general of Ohio has held that neither the registrar of motor vehicles nor the trial court has any authority under the motorists responsibility law to modify or restore an automobile driver's license which has been suspended by the courts. The licenses may be suspended by the courts in manslaughter cases, driving while intoxicated, failing to stop after an accident, or a felony in which the automobile is used, and the order of revocation cannot be legally modified or changed at a later date.

This decision, acclaimed by Ohio insurance men who deplored the practice of restoring driving privileges to persons convicted of drunken driving and similar offenses, was immediately disputed by John R. Pierce, administrator of drivers' licenses in the state bureau, who said that the courts have higher authority than the attorney-general, and if they wish to reinstate licenses are not affected by the ruling. He said that nothing the state bureau has been doing is contrary to the attorney-general's opinion. He further explained that the Bureau can only allow a suspended driver to retain his auto license pates when he posts an insurance bond, and said the bureau advises convicted drivers that it is up to the court to say whether or not they can have their drivers' licenses.

Won in Accident Production

C. D. Hilles and R. L. Green, New York City, won the agency accident production contest of the Employers Liability and have received the E. C. Stone trophy, an electric desk clock. E. D. Peake, Philadelphia office, received one also for qualifying as the leading personal producer in the contest.

Kemper's Southeastern Rally

ATLANTA—About 100 attended the southeastern territorial meeting of Lumbermen's Mutual Casualty here. It was the first such meeting that has ever been held. The company wrote over \$1,000,000 in premiums in the southeast last year. President James S. Kemper was the principal speaker. Edward G. Hitt, head of the Associated Mutuals, Inc., of Atlanta, presided. Several executives from the head office attended.

Study Traffic Situation

SAN FRANCISCO—Study of the motor vehicle situation in California with a view to finding some practical solution to the problem which inspires agitations for compulsory automobile liability insurance, will be one of the principal activities of the newly appointed advisory committee to the assembly interim committee on motor vehicle legislation, it was decided at the first meeting here. The committee also will study other phases of automobile traffic control with particular stress on highway safety regulations.

Insurance is represented on the committee by R. G. Moss of the Association of Casualty & Surety Executives, F. W. Ludwick, secretary of West Coast Automobile Insurance Conference and Gene Hogle, director of public relations of the National Automobile Club.

Hoodoo Day is lucky for accident insurance salesmen. For details on special sales plan write The Accident & Health Review, 175 West Jackson Blvd., Chicago.

POINTERS FOR LOCAL AGENTS

Transportation Policies Treated in a Lecture

HARTFORD—W. B. Wrecks, general agent Aetna Fire, in his lecture before the Hartford Insurance Institute spoke on transportation insurance.

He stressed the fact that when the property "has reached its proper destination and is placed in the assured's warehouse, or on their premises, the property is then no longer considered mobile, nor in transit, and, therefore, the transportation policy ceases to cover."

Mr. Wrecks stated that "through trial and experience certain fundamentals have become recognized through practice, or through court decisions, which make it easier for the underwriter to approach this subject of insurance.

Policies Are Not Uniform

"Do not get the impression that all policies are standard, or uniform. They are not. The reason why they are not standard is due to the fact that many different manufacturers and consignees ship a variety of commodities. You can visualize different things that can happen to each one of these commodities. There are some which are susceptible to theft or pilferage claims, and others which are not; the same is true of breakage and other losses. Therefore the insurance fraternity has what it calls a tailor-made policy, that is, a policy to fit the requirements of the individual shipper. We also have competition—one good company against another.

Many Factors in Rates

"This subject happens to be a form of insurance which does not have any uniformity as to rates. Rates depend on what the individual company's experience has been, the nature of the interest insured, how it is packed, how shipped, (by steamer, rail, express, or truck) and many other factors which enter into the problems of the underwriter. The taking of an application for this kind of insurance is essential. It should be the duty of the underwriter to secure an application which gives the necessary information to properly underwrite the individual risk.

"There is no uniformity as to policy forms. Nearly every company, however, has its own standard forms, and you will find upon comparing the forms of various companies that there are certain clauses found in nearly every policy. It is important for the underwriter to be careful when accepting a type-written form, or a special form prepared by an agent or broker, to see that the fundamental clauses have been incorporated in the special form, as well as to see that the special form does not override some portion of your policy which your company thinks important enough to retain."

Features in Policy Forms

Mr. Wrecks pointed out some of the important features of the policy forms. In discussing the exclusions found in an all-risks policy, he mentioned accounts, bills, currency, deeds, evidences of debt, money, notes, etc., all of which items can be insured under a registered mail policy. He stated also that goods damaged by delay or dampness, or spotted, discolored or changed in flavor, marred or scratched are not covered, "unless caused by fire, lightning, cyclone, tornado, flood, collision, derailment or overturn of vehicle on land, or unless caused by fire, or perils of the sea while waterborne." This exclusion is put into

the policy to protect against loss during shipment of perishable or easily damaged goods.

"Most policies exclude loss caused by strikers, locked-out workmen, or persons taking part in labor disturbances, civil commotion and war. However, this exclusion may be deleted in whole, or in part, by the company as it sees fit, for an additional premium." The policy does not cover loss or damage to merchandise shipped on the decks of boats, unless an additional premium is paid.

"Most inland transportation policies exclude export shipments and import shipments until the risk assumed by the marine policy has ceased. First of all, export shipments of goods are often sold f.o.b. point of shipment, or if sold C.I.F. (cost, insurance and freight) the shipper will, in 99 out of 100 cases, have a policy that will attach from the time the goods leave the initial point of shipment and will cover continuously while in due course of transit, until safely deposited at the warehouse of the consignee." Such protection can be arranged under a single trip policy or under an open ocean marine policy.

The reason import shipments are not covered, he said, until after the risks assumed by the marine policy have ceased, is that the transportation underwriter wants to be certain that damage to the property insured under the import policy has been noted, and that the transportation policy will not be called on to assume a loss occurring prior to its attachment.

Many Riders Are Used

"As an example of the extent to which some companies will go to meet conditions of transportation insurance, I wish to point out that we have six printed riders for attachment to our basic policy. Our Rider A is known as the broad form; Form B, as the limited form; Form C, covering shipments by licensed

public truck or public auto truck; Form D, covering express shipments; Form E, known as the flat premium form; Form F is somewhat of a blank form, to cut the goods a little closer to the shape of the individual.

"Such policies usually carry what is known as the 'warehouse to warehouse' clause, i. e., the insurance attaches from the time the goods or merchandise leave the factory, store or warehouse at initial point of shipment and covers continuously thereafter until safely delivered to factory, store or warehouse at destination," as long as it is in the custody of a common carrier incidental to transportation. "If, however the assured orders the merchandise, or goods, into a storage warehouse for an indefinite period, the goods are then out of transit, and the protection of a transportation policy ceases.

Written with Deposit Premium

"Many such policies," stated Mr. Wrecks, "are written with a deposit premium on the estimated annual shipments of the assured at a fixed rate. If at the end of the policy year the assured's shipments exceed the estimated value, an additional premium is charged at the rate. If the shipments do not come up to expectations, the assured is entitled to a refund on the same basis."

Mr. Wrecks mentioned conditions under which rail carriers are not fully liable, since all bills of lading exclude loss or damage by acts of God, including flood. Another consideration, he said, is that the shipper will have control of the insurance, and will be relieved of considerable worry. He said that no two truckers are apt to have the same motor truck cargo policy, and that the Interstate Commerce Commission holds a trucker liable for only \$1,000 in protection. The chances of collecting amounts over that are often very slim, if the shipper does not have a transportation policy.

"The shipper should take a transportation policy," he said, "thus relieving himself of these worries and letting the insurance carrier assume them, giving the shipper a tailor-made policy with complete protection, or as complete protection as the shipper is willing to pay for."

Placing a Value on Books

Question—We have an auditor friend who has talked with us about the matter of insuring certain books and records in his charge. His thought is that the loss of these books and records by fire would cause him a distinct financial loss over and above the cost of preparing duplicate records, which would be impossible. He would like very much to arrive at a definite insurable value for his books and records and to secure a policy of insurance to cover. Of course, I well understand that in the case of abstract companies and kindred risks, it is possible to place insurance to cover the replacement cost of duplicating records, but I have no knowledge of a policy which would provide a definite amount of indemnity to reimburse the assured for the value of these records destroyed. Can you offer any suggestions?

Answer—Companies have occasionally insured books and valuable records on a basis similar to that outlined in your letter. The big problem, as you state, is to determine what would be the financial loss to the assured in the event they were destroyed by fire or other insured hazards.

We assume from your letter that the

books in question do not belong to your client, but have been entrusted to him by clients for whom he is making audits. We would suggest that you find out from him approximately what he or his clients would lose should the books be destroyed. Probably this would entail a discussion of the matter with his customers. If you are satisfied as to his moral character and also of the character of the clients for whom he makes audits, then we believe you can write this insurance safely by setting an arbitrary value on the books. Some provision that this value must be substantiated by the customers of your client would also be in order.

Probably the best way to write this would be on a legal liability basis, covering legal liability of the auditor for a loss of books and records. We do not believe you could cover such items as good will and loss of business which he would probably suffer if books and records in his possession be destroyed, but we believe some approximation of the financial loss can be covered.

If the books are being moved around, it might also be possible to arrange an inland marine policy, on substantially the same basis.

SALES IDEAS OF THE WEEK

Travelers Indemnity Sells Accounts Receivable Form

In articles concerning the accounts receivable policy, THE NATIONAL UNDERWRITER overlooked the fact that such a contract has been issued for about a year by the Travelers Indemnity. The first of these were special contracts in typewritten form but by last November the Travelers Indemnity had issued the printed form of contract.

The insuring clause is:

"To indemnify the insured for direct loss resulting from the assured's inability to collect money due the assured from his customers because of destruction of or damage to the assured's record of accounts receivable from such customers, provided such destruction or damage shall occur within (a) the interior of that portion of the building designated in Item 2 of the declarations, which is actually occupied by the assured in conducting his business, hereinafter called 'the premises'; (b) the policy period defined in Item 9 of the declaration. In no event shall this insurance cover such loss resulting from larceny, theft or disappearance of any such record unless such larceny, theft or disappearance shall occur during a fire in the premises."

The declaration calls for location of building containing the premises, business conducted in the premises, a statement that no other business is conducted in the premises; the amounts of accounts receivable estimated by the assured as uncollectible at the end of the last three years; a statement of the total liability; the deposit premium.

The assured is required within 20 days after the end of each month to furnish Travelers Indemnity with a written statement of the total amount of accounts receivable, with deferred payments, charge accounts and C.O.D. items segregated on the last business day of such month. The sum of such monthly amounts of accounts receivable, excluding C.O.D. items, shall be averaged and the earned premium shall be computed on such average at the rate specified. If the earned premium thus determined exceeds the deposit premium, the assured shall pay the company the difference and vice versa.

Household Inventories

Many local agents and brokers use to good effect the "Ronoco" household inventory that is sold by THE NATIONAL UNDERWRITER. It enables the householder to list his belongings and keep an inventory so that in case of loss he has some tangible evidence to fall back on. An inventory of personal property shows real insurable values and helps sell adequate coverage. These inventories are inexpensive and they can be distributed freely. They make splendid advertising material. Form 609, 24 pages, six by nine inches, is an excellent one, selling at \$1.75 a dozen, \$5.50 for 50, \$10.50 for 100; 500, \$39.50.

Another form, 608, gives a survey of insurance coverages omitted and has 16 pages, 4 by 8 1/4 inches, costing 75 cents a dozen, \$2.70 for 50, \$4.50 for 100, \$8.50 for 200. For imprinting a four line card additional on the front cover, for 100 or less the cost is \$1.50; 200, \$1.75; for 500, \$2.50. For more than four lines an extra charge of 50 cents per line is made.

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FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

Anticipate License Complaints

Michigan Commissioner Can Require Examination If He Questions Qualification of Agent

LANSING, MICH.—Michigan department officials are anticipating a mild influx of complaints between now and April 1, against certain agents now licensed who, for one reason or another, might be deemed unfit for relicensing.

The new agents' qualifications law, permits the commissioner to demand that any applicant for license renewal submit to examination the same as a new applicant. In practically all cases the department complies with requests for investigation of the qualifications of any questioned applicant so it is entirely possible that, due to consciousness of the more rigid statutory requirements, a much larger number of investigations may be demanded.

Division is Kept Busy

Seth Burwell, head of the licensing division, said its facilities have not been expanded as yet to a point where they are adequate to handle the full burden of the new law. The examination of new applicants has kept his division extremely busy although the number of applicants fell off abruptly after effective date of the new act. The majority of applicants who have actually taken examinations have passed them and received their licenses but many have been discouraged at the prospect of an examination and failed to appear for tests.

There has been unusual activity in the Detroit area, Mr. Burwell said, relative to the licensing situation and it is presumed that the bulk of complaints relative to present licensees may be expected from that quarter. In addition to the qualifications law requirements, however, it is expected that the department may be asked to look into suspected violations of its rule regarding "controlled" business. The department will not license an agent when more than 15 percent of his volume represents his own, his employers' or relatives' business, or other business which may be

deemed under his control. Part-timers have also been under scrutiny and there may be some complaints regarding their activities. This evil is more than likely to be aggravated by present recession conditions but with the qualifications law on the books it will be much easier to handle the situation, it is agreed.

The licensing division is now preparing a manual of suitable examination questions from which all tests will be prepared.

Closer Check in Nebraska on Volume of Fire Premiums

LINCOLN, NEB.—Fire companies doing business in Nebraska are facing an increase in taxes of approximately \$15,000 a year. At the annual meeting of county assessors State Tax Commissioner Smith will present the question of means by which a closer check can be made on fire insurance premiums collected. The records of the tax commissioner show that taxes were paid in 1936 on a little over \$4,000,000 of collected premiums, while those of the state insurance department show the companies doing business in the state collected \$7,760,492. The law requires local agents to return to the assessor a statement showing the amount of premiums collected by each, and upon this valuation taxes are charged against each company in the agency. Insurance Director Smrha said that he did not believe the failure to report to the assessors all collected premiums was due to any desire on the part of the companies to avoid taxation, but due either to the fact that the agent did not know of the requirement of the law or that the assessors were not diligent in searching out the agents. The state department will supply a list of all licensed agents upon which a check can be made by the assessor's forces.

Kansas City Get-Together

KANSAS CITY—More than 200 attended the fifth annual insurance get-together sponsored by the Insurance Agents Association, Francis Murphy and several others attended from the Missouri insurance department. All branches of the insurance business were represented.

Clevlen Addresses Joplin Group

M. L. Clevlen of Poplar Bluff, president Missouri Association of Insurance Agents, attended the February meeting of the Insurance Agents Association of Joplin and made the principal address. He spoke in opposition to the safe driver reward plan, his attitude being shared officially by the organization.

Hodder Nebraska Examiner

Donald R. Hodder of Lincoln, formerly with the Midwest Life, has been added to the staff of examiners of the Nebraska department, bringing the total to six.

St. Paul Losses Surveyed

ST. PAUL.—Adjusters hope to complete their work this week on the Western Auto Supply fire which also damaged four adjacent firms Feb. 20. The Western Auto loss, the heaviest, is covered by a \$300,000 blanket policy in Lloyds of London through R. B. Jones & Sons of Kansas City. The loss is estimated at \$150,000. The building occupied by the store and owned by the M. J. O'Neil estate also took a heavy loss which was covered by \$27,500 in the Hartford and \$7,500 in the Mer-

cury. Other companies which had coverage on the various properties damaged were the Commerce, \$5,000; Fire Association, \$7,500; Fireman's Fund, \$7,500; Westchester, \$7,000; Standard of Hartford, \$63,000; North America, \$15,000; American Equitable, \$7,000, and the Federal Hardware Mutual, \$45,000.

Outside of the Western Auto and the Ekholm fur store and the buildings they occupied, losses were small.

Six Years for Unlicensed Sales

At Circleville, O., G. W. Mathewson was found guilty on two charges of obtaining money under false pretenses in connection with the sale of insurance in an unlicensed company and was sentenced to serve two consecutive terms of three years each in the penitentiary.

Laclede Agency's New Companies

The Laclede Insurance agency of St. Louis has been appointed supervising agent of the American of Newark and the Reserve Underwriters guaranteed by the Dubuque F. & M. and the National Reserve.

Kansas City Fire Losses

Chief Johnson of the Kansas City, Mo., fire department reports a total loss last year \$727,580, of which \$476,118 was on buildings and \$251,462 contents. The fire loss per capita was \$1.60. The most serious fire was in the central industrial district on July 13, starting in the building of the S. & K. Waste Material Company. It was not equipped with sprinklers. The estimated fire loss and per capita loss last year were the lowest since 1915.

Distribute Firemen's Tax

ST. PAUL.—Firemen's relief associations of St. Paul, Minneapolis and Duluth were enriched \$41,922 this week when Commissioner Frank Yetka turned over that sum to them, representing the premium tax on fire companies. Minneapolis was allotted \$24,318, St. Paul \$12,505, and Duluth \$5,098.

Seeks Per Capita Leadership

MINNEAPOLIS—The Minnesota Association of Insurance Agents has set out to lead the country in membership according to population. With 537 members at present the association is now within shouting distance of its goal, Harry A. Levant, chairman of the membership committee, reports.

Observe Fifth Anniversary

R. T. Gustafson Company, independent adjusting office of Omaha, is celebrating its fifth anniversary this month. Mr. Gustafson has been in the adjusting and investigating business for 21 years and is a member of the National Association of Independent Insurance Adjusters. His office serves Nebraska and Omaha.

Name Oshkosh Committees

OSHKOSH, WIS.—J. C. Walter, president of the Oshkosh Insurance Underwriters Association, has announced his committee appointments. Members of the executive committee are Mr. Walter, Charles Konrad, secretary; E. A. Binder, I. S. MacNichol, Dan Harmon, Jr., and F. L. Conroy.

Ashtabula Board Active

The Ashtabula, O., Insurance Board, which is one of the active organizations in the state, has signed a contract for brief talks every day over the new WICA radio station in that city and also there is a brief statement following each time when the fire company makes a run or "Spot" as it is known in radio parlance. Each agency was requested to furnish material for 20 talks. Excellent

Wisconsin Agency Head Dies While in Florida



D. D. HARMON

D. D. Harmon, 62, founder and president of the Harmon agency, Oshkosh, Wis., with officers also at Appleton, Neenah and Menasha, died suddenly in Miami Beach, Fla. Burial was in Oshkosh. He had been ill for several years with heart trouble and had gone to Florida early in December in an effort to improve his health. His condition had not been regarded as critical.

Mr. Harmon organized his agency in 1905 and had been active in association work, serving as president of the Wisconsin Association of Insurance Agents in 1916. The picture shows him as he appeared at that time. His two sons were associated with him in the agency, Robert L. Harmon being vice-president and Daniel Harmon, Jr., secretary.

results have already been accomplished within the radius of 100 miles.

The H. H. Hulbert Agency at Ashtabula, O., has been sold to Philip Smith, all companies transferring. Mr. Smith was formerly deputy treasurer of Ashtabula county. Mrs. Hulbert has been handling the business since the death of her husband. Miss Shipman will be retained as office manager.

Warns of Unlicensed Carriers

PIERRE, S. D.—Commissioner Dunn is sending out a warning to purchasers of insurance policies in unlicensed companies as to their liabilities and the requirements they will have to meet in case of a dispute as to claims, including the fact that they will have to go to the home state of the insuring company to bring any action on disputed claims, and that under the South Dakota laws, purchasers of policies written through such companies are liable for a 5 percent premium tax.

This follows an extended advertising program by unlicensed companies in this state.

Michigan Liquor Loss

LANSING, MICH.—Renewed sentiment for altering the Michigan fire fund law was generated by a blaze which destroyed the state liquor store at Ann Arbor, causing a liquor loss estimated at more than \$18,000 and a fixtures loss in excess of \$3,000.

While the losses are barely covered by insurance in the fire fund, the fire provided ample evidence to skeptics as to why the state administrative board has defied both the law and an interpre-

ADJUSTERS (Cont.)

WEST VIRGINIA

JOHN C. WYCKOFF CO.

INSURANCE ADJUSTMENTS
MAIN OFFICE FAIRMONT, W. VA.
BLUEFIELD, W. VA. CLARKSBURG, W. VA.
Peery Building Goff Building
HUNTINGTON, W. VA. WHEELING, W. VA.
Chesapeake & Ohio Bldg. Trust Building
CHARLESTON, W. VA.
Kanawha Valley Building
PARKERSBURG, W. VA.
Union Trust Building

WISCONSIN

Nurnberg Adjustment Co.

General Adjusters
Fire, Windstorm, Hail, Automobile, Casualty,
and Inland Marine
Underwriters Exchange Bldg.
MILWAUKEE
528 N. Broadway Phone Daly 5620
BRANCH OFFICES: ANTIGO & MADISON

WYOMING

JUDD W. CROCKER CLAIM DEPARTMENT, INC.

402 Hynds Bldg.
Cheyenne, Wyoming
Clarence R. Ferguson
Branch Manager

tation of its terms by the attorney-general to place coverage with the stock fire companies on the huge liquor stocks in warehouses at Lansing and Detroit.

Cadillac Agency Not Involved

In reporting in the Feb. 24 edition that a bookkeeper of the Cadillac agency of Detroit had been arrested on a charge of embezzlement, THE NATIONAL UNDERWRITER was repeating an error that was made in the Detroit "Free Press." The bookkeeper, Mrs. Ruby Appel, was formerly employed by the P. N. Bland Printing Company, 230 W. Larned street, Detroit. Pearce B. Bland, head of the Cadillac agency, is secretary of the printing company, but the bookkeeper had no connection with the insurance agency and the loss in no way affected or implicated the Cadillac agency.

Rogers Speaks at Racine

RACINE, WIS.—John D. Rogers, manager of the Wisconsin service office of the Continental Casualty in Milwaukee, speaking before the Racine County Association of Insurance Underwriters, discussed the service the agent can and should render the policyholder. He explained the latitude given local agents in adjustment of claims and the favorable reaction to this plan from policyholders.

I. C. C. Man Sioux City Speaker

V. E. Smart of the motor vehicle division of the Interstate Commerce Commission, Omaha, spoke at a meeting of the Sioux City Fire & Casualty Underwriters Association last week. The group discussed the decision of the insurance department outlawing the safe driver reward plan in the state.

Guy Speaker at Marysville

A. C. Guy, Columbus manager of the Western Adjustment, addressed the Kiwanis Club at Marysville, O., on his experiences as an adjuster.

Bulletin for Credit Men

KANSAS CITY—The Kansas City Association of Credit Men has named a special committee, which began March 1 issuing a special weekly bulletin to association members on various insurance problems as it relates to the credit field.

Members of the committee are Fred Schild, manager Employers Mutual Liability; John Owens, Central Mutual Casualty; F. K. Dart, American Credit Indemnity; T. K. Smith, Western Underwriters Mutual Fire, and Ken Willis, Western Millers Mutual Fire.

Ohio Trustees Meet March 8

The trustees of the Ohio Association of Insurance Agents will hold a meeting in Columbus March 8.

Seek Improvement at Chillicothe

The Junior Chamber of Commerce and the Rotary Club at Chillicothe, O., have been putting on a special campaign to reduce fire waste and improve the fire fighting service in that city. At a luncheon meeting next Monday, A. C. Guy, Columbus manager of the Western Adjustment, will be the principal speaker.

Green Talks to Realtors

KANSAS CITY—Moulton Green, vice-president of R. B. Jones & Sons and of the Kansas City Fire & Marine, spoke on "Selling Property Insurance" at a meeting of the Kansas City Real Estate Board.

He recommended that the wording in leases be made to correspond to the rating rules and language of insurance policies where improvements and betterments on leased buildings are concerned. Differences give rise to considerable difficulty in settling losses. Mr. Green also suggested that the cost of insur-

ance on improvements and betterments is less if the names of both tenant and landlord are included.

Real estate men were urged to be sure to get certificates of insurance when sub-contracts are involved, so that they won't be charged on two payrolls for workmen's compensation.

Middlewestern Notes

Mrs. W. E. Haas of Delaware, O., has taken over the agency of her husband, the late W. E. Haas.

At Monroeville, O., Mrs. Mary V. Kray has taken over the insurance business of her husband, L. E. Kray.

The Northern Adjustment Company, Rockford, Ill., under the management of James A. Penny, has moved its offices

from the Talcott building to 605 Empire building.

The Hoosier State Insurance Agency, Inc., 3101 College avenue, Indianapolis, has been incorporated by P. M. Stone, J. V. Fuller and F. M. Stone.

C. B. Donohue and F. H. Ridgeway, Hampton, Ia., have consolidated their agencies as Donohue-Ridgeway Insurance Agency.

A. H. Adams, first assistant county attorney of Polk county, Des Moines, has resigned to become attorney for the Western Mutual Fire.

The Kibble & Son Insurance Agency, Akron, O., has been incorporated by N. C. Kibble, Evelyn Mathis and George McCamont.

R. E. Sawyer, 78, Shelby, O., local agent, died of a heart attack Feb. 13. Three sons survive.

IN THE SOUTHERN STATES

Bad Weather Interferes with Regional Meets in Oklahoma

Because of unfavorable weather conditions, attendance at the three regional meetings of the Oklahoma Association of Insurers at Tulsa, Oklahoma City and Mangum was somewhat disappointing but much enthusiasm was manifested, Manager L. J. McCoy reported. The meetings were called to introduce the new manager and as a farewell gesture to J. D. Saint, retiring manager. The same program was presented at all three meetings except that President John J. Moffatt of Muskogee was unable to attend the one at Mangum. He reviewed the advantages of the present system over the volunteer system and explained why the association decided to intensify its program in 1938.

Adams Talks on Casualty

John S. Adams of Oklahoma City talked on the hopes and handicaps of the casualty and surety business, and Mr. Saint gave one of his informal talks. Mr. McCoy said the great needs of Oklahoma local agents is more intensive effort to become better salesmen. He said the handicap of unfit agents and unethical competition is being overcome by activities of the association, which has prevented licensing or obtained cancellation of licenses of almost 2,000 unqualified agents, thus raising the ethical standards of the business in Oklahoma. In overcoming detrimental company practices, the association has joined with the Business Development movement. To correct the political-legal situation, he urged agents to become active in electing responsible men to office. He pledged continuance of the program started by the association, especially to work to eradicate all unethical practices in the state.

New Orleans School Cover Is Placed Through Hartson

NEW ORLEANS—The New Orleans school board has designated the Maurice J. Hartson agency of New Orleans to handle the fire insurance on school properties. The Orleans Parish school board recently placed \$14,000,000 fire through that agency. The business was written at a rate of .3443 per 100 for three years, which rate is 10 percent less than the advisory rate of the Louisiana rating and fire prevention bureau. In addition the premiums are payable in installments, without interest, as follows: 40 percent cash at beginning of first year; 30 percent beginning of second year, and 30 percent beginning of third year.

Not Under Mandatory Act

In Louisiana city and state property do not come under the mandatory provisions of the State rating act, but the bureau does issue advisory ratings on public property. A part of the line was offered to every agency in New Orleans one Saturday morning and acceptance or rejection asked the same day. It is said

that many of the agencies "got on" and since the effective date, Jan. 31, numerous companies have cancelled off, not liking the 10 percent under advisory rate. For handling the business, the Hartson agency was given one-fourth of the entire line, and to those agencies who felt they could not write the business in their companies, offered to handle their allocation, paying them 10 percent brokerage. Maurice J. Hartson says that the rate was designated by the school board, and that a minimum of \$37,500 of the \$14,000,000 line was to be offered to each agent in New Orleans. Members of the school board, he said, designated agencies who were to receive larger lines.

Only eight agencies refused to participate, 78 getting a part of the business. About 40 companies are on the risk, according to Mr. Hartson. Agencies whose companies refused the line participated to the extent of 10 percent brokerage.

Virginia Agents' License Bill Expected to Pass This Week

RICHMOND, VA.—House bill 151, sponsored by the Virginia Association of Insurance Agents, has passed the house and is expected to pass the senate this week. It was reported out of the senate committee with only minor amendments. In addition to licensing agencies, the measure provides for a 50-50 division of commissions between agencies and non-resident brokers. It also provides for revocation of licenses of agents, solicitors and agencies whenever irregularity in business is discovered and warrants such action. It specifically prohibits any one but a resident agent from countersigning a policy. One amendment provides that mutuals, reciprocals and interinsurers are exempt from provisions of the act as they come under the provisions of another section of the code.

Hurt & Quin's New Company

Hurt & Quin of Atlanta has been appointed general agents of the Star. They also represent the Century, American Equitable, Empire State Underwriters, Globe & Republic, Halifax Fire, Homestead Fire, New Brunswick Fire, Pacific Coast Fire and Central Fire. They also are managers of the General Accident and American Indemnity.

Jones & Whitlock in Louisville

An office is being opened by Jones & Whitlock in 397 Starks building, Louisville, in charge of S. Cook Shaw. This will be a service office for the inland marine facilities of Jones & Whitlock which represents Globe & Rutgers, State of Pennsylvania, and American Home. It will look after affairs in Kentucky and Tennessee. The office will also act as agent for London Lloyds for Kentucky. London Lloyds are now regularly admitted in Kentucky.

Mr. Shaw is in Chicago this week in the office of Jones & Whitlock there, getting acquainted with the set up. He started in the business with the Shaw

agency in Mayfield. For some time he was manager of the Brown & Martin agency of Louisville. Lately he has been in business for himself in that city.

Want Kentucky Rule Restored

LOUISVILLE—Following considerable agitation on the part of company men in opposition to the elimination of rules governing the "other insurance" permit in 9th and 10th class towns, a committee of field men met with G. H. Parker, manager Kentucky Actuarial Bureau, asking that the rules be returned to their former status. The matter is now under consideration.

Louisville 1937 Losses High

LOUISVILLE—Fire losses in Louisville in 1937 totaled \$1,051,564, the biggest in eight years, and an increase of 81 percent over 1936, the Louisville salvage corps reports. Fires during the flood of January, 1937, when it was impossible to reach burning buildings, cost \$538,376. Losses in the county totaled \$214,508, an increase of 70 percent.

The report showed that \$60,047 damage was done and paid for by insurance companies in fires never reported to the fire department. Five fires caused more than half the reported loss.

O'Connor Speaks in New Orleans

James C. O'Connor, editor of the "Fire, Casualty and Surety Bulletin" and associate editor of THE NATIONAL UNDERWRITER, will speak before the New Orleans branch of the Insurance Institute of America March 8 on "Trends and Future of the Casualty Business." That evening he will address the New Orleans Insurance Exchange on the subject of meeting competition. Mr. and Mrs. O'Connor are on a vacation trip to the Gulf coast.

El Paso Exchange Elects

Officers elected by the El Paso (Tex.) Insurance Exchange are: Fred Barnes, president; Charles Alexander, vice-president, and Robert S. Crowell, secretary-treasurer.

Bennett on Florida Card

W. H. Bennett, general counsel of the National Association of Insurance Agents, is scheduled to address the annual meeting of the Florida Local Underwriters Association at Hollywood April 7-8.

Welcome to John D. Saint

There will be many in attendance at a special meeting of the Tennessee Association of Insurance Agents at the Hotel Hermitage in Nashville Friday. W. S. Keese, Jr., of Chattanooga, the president, called the meeting so that the members could get acquainted with the new manager, John D. Saint, who has opened an office in Nashville. The field men are invited to be present and any insurance men who are interested. Mr. Saint has closed his work as manager of the Oklahoma association.

Multiple Writing Bill Killed

FRANKFORT, KY.—A bill to permit fire companies to write casualty business and casualty companies to write fire was decisively defeated in the house.

McCoy at Tulsa

TULSA, OKLA.—L. J. McCoy, manager of the Oklahoma Association of Insurers, spoke at the Tulsa Exchange's meeting.

Texas Fire Record Credits

The larger cities of Texas have been awarded rate credits ranging from 10 to 25 percent for good fire records the past year. Austin, San Antonio, Corpus Christi, Galveston and Brownsville were given 25 percent credits; Fort Worth and Dallas, 15; Beaumont, Houston, El Paso, San Angelo and Laredo, 20. Highland Park and University Park, suburbs

of Dallas, are given the maximum of 25 percent. Some 200 Texas cities received credits of 15 percent while about 75 towns and cities got penalties ranging from 5 percent to the maximum of 15.

Fire losses in the state the past year were the lowest in many years.

Williams Made Office Manager

E. R. Williams, formerly secretary to Congressman Terry of Arkansas, has been appointed office manager of the Williams & Rosen agency, Little Rock. He worked part time in the office of J. K. Shepherd, while attending school and recently Williams attended the U. S. F. & G. casualty and surety school in Baltimore.

Louisiana Exchanges Elect

NEW ORLEANS.—Officers have been elected by Louisiana insurance exchanges as follows: Lake Charles, B. F. Levy, president, and Harold Boling, secretary; Alexandria, Ray Bradford, president, and A. J. Buckner, secretary.

McClure Shifted to Atlanta

John McClure, Jr., has been transferred to Atlanta from Richmond, Va., as general agent of the Underwriters Salvage Co. He succeeds G. W. Campbell, Jr., who is now in the bottling business in Jacksonville, having acquired the Dr. Pepper franchise. Mr. McClure started in Texas 15 years ago and five years ago was transferred to the Richmond office.

Honor Saint and McCoy

OKLAHOMA CITY.—At a joint dinner here of field men and local agents a farewell tribute was paid to J. D. Saint, who recently resigned as manager

of the Oklahoma Association of Insurers, and his successor, Lewis J. McCoy, was welcomed. Sharing honors as joint toastmasters, T. Ray Phillips and E. W. Clarke introduced a highly entertaining program. The fire field men were represented on the program by Charles H. Cowan, general agent; the Blue Goose by Z. M. Lang, Great American; casualty and surety agents by Leslie Williams, U. S. F. & G., and the local agents by Addison Sessions of Okmulgee.

Clifford Wetzell of Ponca City introduced the new secretary manager. President John J. Moffat of the Oklahoma Insurers introduced Mr. Saint, and presented him a farewell gift as token of appreciation of his work with the association since his arrival two years ago.

Mr. Saint is now manager of the Tennessee association.

C. J. Rogers Heads Agency

NEW ORLEANS.—C. J. Rogers has been elected president-treasurer of Black, Rogers & Co., succeeding the late C. H. Black. He has been with the company more than 32 years. Other officers elected are: L. M. Warner, vice-president; Durel Black, secretary; Boyd Seghers and G. H. Crais, assistant secretaries. Black, Rogers & Co. are general agents of the Maryland Casualty in Louisiana, Mississippi and east Texas, and are also general agents for several fire companies in Louisiana. They were recently appointed general agents in east Texas for the automobile department of the Providence Washington.

Gilson Riley, administrator of the estate of the late R. S. Walker, will continue the Walker agency, Fort Smith, Ark., and no change will be made in personnel. Mr. Walker and his wife were killed recently in an automobile accident near Linden, Tex.

Keith Co., forming the Rogers-Evans Company in 1905. Mr. Rogers was one of the organizers of the Utah Association of Insurance Agents and was elected president in 1927, being reelected the two following years. For some time he was a member of the Utah committee of the Pacific Board and for a number of years he was national councillor from Utah. Probably there has never been a funeral in Salt Lake City where there was such an outpouring of insurance men representing different kinds of business. Dean F. L. Gibson of the Episcopal Church conducted the services assisted by Dr. L. E. Young, an elder in the Latter Day Saints Church, who delivered the eulogy.

Oregon Fire Rates Reduced on Auto Camps, Dwellings

PORTLAND, ORE.—Climaxing several years effort on the part of the Oregon State Agents Association, the Oregon insurance rating bureau has announced a substantial reduction in rates applicable to automobile camps, and at the same time now permits the writing of this classification for a term of three

years at two annual premiums instead of only one year.

Under the new schedule auto camp cabins and cottages take a frame basis rate of \$1.45 per year, with the same credits and charges as applicable to unprotected dwellings.

The bureau also announces reductions applicable to the better class of unprotected dwellings. Under the new rating schedule if an unprotected dwelling is subject to all credits (excepting composition roof) a further bonus credit of 10 cents for one year or 20 cents for three years will apply.

The bureau has also announced reduction of 20 percent on dwelling and contents in newly established rural fire protection district No. 1 which adjoins Portland on the north. The city of Portland has contracted with the district to provide fire protection and the rate reductions are effective only during the existence of the contract.

Act on Commissions

A special meeting of the Insurance Brokers Exchange of San Francisco has been called for March 15 to approve a proposal by the board of governors to distribute \$2,054 commissions received from the placing of automobile insur-

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Developed in the fine traditions typical of New England . . . our greatest heritage is the constancy of our agents. Their loyalty through many years has become traditional.

RHODE ISLAND (1905)

INSURANCE COMPANY

MERCHANTS (1851)

INSURANCE CO. OF PROVIDENCE

BYRON S. WATSON

PRESIDENT

FIRE - AUTOMOBILE - INLAND MARINE

THE INSURANCE BUILDING
PROVIDENCE, R. I.

PACIFIC COAST AND MOUNTAIN

Idaho Deviations Voided

Insurance Director Bakes Rules All Business Must Be Written Under New Rates Filed by Bureau

BOISE, IDA.—With release of a new tariff by the Idaho Survey & Rating Bureau, replacing all fire insurance rates formerly used in the state, Insurance Director Bakes has announced that all present deviations now filed with his department are void.

"The question as to whether the present deviations now on file in my office and that of Idaho Survey & Rating Bureau apply to the new rates and rules has been passed upon by the attorney general's office," he says, "and it has been held that such deviations as are presently filed in this state do not apply to the new rates and schedules as promulgated recently by the rating bureau.

Accordingly you are advised that all deviations on file in Idaho are declared to be void and no longer apply."

The rating bureau has been instructed to tag any policy passing through its office unless the same is written in compliance with the rates now established.

Death Takes Prominent Local Agent of Salt Lake City

James Rogers, 68, widely known insurance executive in the far west, head of the Rogers-Evans agency at Salt Lake City, died from heart failure following an illness of less than a week. He was born in Salt Lake City, Sept. 12, 1869, and received his business education at Dedham College, Mass. The Rogers-Jennings insurance agency which he helped to establish in 1898 was later merged with the Bransford-Westcott &

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Combined coverage, equal or unequal amounts, in one policy.
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State Agents

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SPECIAL AGENTS

ERNEST NEWHOUSE

EMERSON NEWHOUSE

HAROLD H. WELLS

HOW about an agency contract with a Company that will help an agent when help is needed?

ance on cars owned by the state in 1934-1935. The money has been in the hands of the Insurance Brokers Association of San Francisco, a subsidiary organized by members of the exchange for the purpose of handling public insurance. A part of the automobile insurance commissions on state-owned cars went to the California Association of Insurance Agents for distribution among its members.

The situation in the Brokers Exchange developed from various legal contentions promoted by members who claimed that the money belonged to exchange members and not only to those members who became members of the association. Not all of the exchange members agreed with the association plan of operation and therefore did not join the organization when it was formed.

W. A. Bartlett Resigns

SAN FRANCISCO—W. A. Bartlett, manager of the Pacific Coast Agency Company which acts as general agent for the Dubuque Fire & Marine and Na-

tional Reserve, has resigned. Mr. Bartlett came to San Francisco from the Pennsylvania field, where he represented the Dubuque F. & M. The proposition evidently has not worked out to his satisfaction. He hopes to connect with some company as a field man. He was formerly a local agent at Galesburg, Ill., and is a former president of the Illinois Association of Insurance Agents.

Edmundson in New Post

SAN FRANCISCO—H. Clyde Edmundson, recently appointed superintendent of agencies for the America Fore in the Pacific Coast department, is now in his new headquarters in San Francisco. Arriving here early last week, Mr. Edmundson was greeted by a large number of coast executives and field men who knew him as a contemporary years ago when he covered the Pacific Northwest and inter-mountain territory.

Urge Rolph for State Post

James Rolph, III, a member of the San Francisco and Los Angeles general agency of Hinchman, Rolph & Landis is being urged by many of his friends to become a candidate for lieutenant governor of California. He is the son of the late Governor James Rolph.

Names Balfour, Guthrie & Co.

The British & Foreign Marine of the Royal-Liverpool group has appointed Balfour, Guthrie & Co. as general agents for California, Washington and Oregon.

Brokerage Firms Join

Consolidation of insurance brokerage firms in San Francisco has resulted in organization of Bayly, Martin & Fay, composed of the former firms of Manheim, Dibbern & Gunther, originally formed in 1869; Martin & Gunther and Bayly, Martin & Fay. E. C. Gunther, well known in San Francisco insurance brokerage circles, is to manage the new firm, with Henry Manheim and Carl Langguth as associates.

American Men in Denver

DENVER—Paul B. Sommers, president of the American of Newark, and Harry Melville of the marine department of that company, are visiting their Denver offices. John L. Reams, Rocky Mountain department manager, is host during their stay here. They are on their way to California.

General Agency in New Quarters

New offices of the Victor Montgomery General Agency in ground floor

Oregon Special Agent Made Superintendent



JAMES C. HITT

James C. Hitt of Portland, Ore., for the past eight years London Assurance special agent, has been advanced to agency superintendent, according to an announcement by Manager J. M. Mendell of San Francisco.

Mr. Hitt entered the London's San Francisco office in 1925 and after having worked through the various departments was appointed special agent for Oregon in 1930. He has been active in Blue Goose work, having served two years as president of the Pacific Coast Conference, and at present is most loyal gander of Oregon pond.

quarters at 369 Pine street, San Francisco, were opened Tuesday with an "open house."

Discuss Supplemental Contract

The supplemental contract was the subject of a round table discussion at a meeting of the Insurance Accountants Association of San Francisco. The discussion was centered about the problem of how the various coverages should be apportioned in the records.

Matt Maury of the Maury-Mitchell Agency, Olympia, Wash., was married there to Miss Caroline Schmidt.

EASTERN STATES ACTIVITIES

New Jersey Mid-Year Meeting

Testimonial Dinner for Withers, Talks by Leslie, Bennett and Gough Among Features

NEWARK—The mid-year meeting of the New Jersey Association of Underwriters will be held in the Hotel Hildebrecht, Trenton, N. J., March 10-11.

The meeting will open on Thursday at 2 p. m. Association vice-presidents will report, followed by an open discussion meeting. In the evening there will be a testimonial dinner to Carl K. Withers, retiring New Jersey commissioner. Herbert A. Faunce, former association president, will be toastmaster. There will be greetings from President Charles E. Meek, Jr., and an address by Harold G. Hoffman, a former governor. A token of esteem will be presented on behalf of the association by Stanley Stults, past president.

The business session will open Friday morning with a welcome by President Meek. Reports of the legislative, accident prevention, compensation, educational and other committees will be pre-

sented. There will also be a discussion and open forum for the adoption of the Business Development Office program in New Jersey. The "safe driver reward plan" and other developments in automobile liability insurance underwriting will be discussed, with William Leslie, manager National Bureau of Casualty & Surety Underwriters, as the principal speaker.

At a luncheon C. A. Gough, first deputy insurance commissioner of New Jersey, and Walter H. Bennett, general counsel of the National Association of Insurance Agents, will speak.

This year marks the 45th anniversary of the state association.

Hardware Mutual Casualty and Affiliates Hold N. J. Meet

NEWARK—Representatives in New Jersey, New York, Pennsylvania, Maryland, Delaware and the District of Columbia of the Hardware Casualty and the Federal Hardware & Implement Mutuals held a three-day convention here. The convention opened Monday with a breakfast. Carl N. Jacobs, president, and

P. G. Parkinson, advertising manager, of the Hardware Mutual Casualty spoke. Talks were made by a number of representatives, and Charles Courtney and August Flamman on the first day.

At the Tuesday session speakers included E. S. Whiffen, sales manager eastern department, E. C. Seifert, manager eastern department, and Dr. Donald A. Laird, Colgate University. In the afternoon, the conference of the Federal Hardware and Implement Mutuals started with talks by R. A. Boushor, F. H. Chamberlain, E. L. Green, R. E. Burdick, R. P. Seaver and Zenn Kaufmann.

The Wednesday session was devoted to talks and skits. Speakers included M. W. Stockton, D. F. Raihle and R. A. Boushor, E. L. Green, S. D. Palmer and Dr. Calvin O. Althouse.

At the banquet awards were made by K. W. Pfiffner, vice-president of the Hardware Casualty, Donald Parkle, sales manager of the Federal Hardware. Those who received awards were R. T. Linkfield, and W. J. Donohue, who headed the Hardware Mutual Gas Club, R. W. Emerson and C. J. Voge, who were the leaders of the "Triangle Club" and L. E. Cates and L. L. Cortelyou, who were the leaders in the "All Line Club." In 1937 the gross net direct premiums, for the eastern division, were \$1,447,049 and in 1936 they totaled \$1,285,423, showing a net gain of \$103,695.

Summary of New Jersey Work

C. E. Meek, Jr., President of State Association, Gives a Report of the Administration Since Last Meeting

C. E. Meek, Jr., president New Jersey Association of Underwriters, gives a summary of the work of the administration since the annual meeting, stating that the liveliest issue has been the safe driver reward plan, the extension of the Bergen county plan throughout New Jersey and watching companies against the inclination to write business direct. Mr. Meek sees a trend in the business that is dangerous to the agent, viz., toward centralization, direct writing, direct service, and direct solicitation. The executive committee adopted officially the Bergen county plan requesting every local and county board to proceed under it. This has in view the elimination of undesirable agents. The committee viewed with alarm the restraint action brought against Adjuster Walter Ullrich by the New Jersey Bar Association and two county bar associations alleging that he is unlawfully practicing law in the conduct of his duties. The association retained State Senator Toolan of Middlesex county to represent the membership at the court hearings.

The executive committee and automobile committee adopted a resolution approving the idea of a reward for the careful driver but stated the agents did not believe it necessary that this be brought about by reducing commissions. Further it was felt that the National Bureau should increase the reward for the safe driver and increase the penalty for the careless driver.

D. M. Pearsall, Westfield, reports the membership as 702. Secretary W. F. O'Brien of Passaic reported a surplus of \$1,911 as of March 1.

New Special Schedules Issued

PITTSBURGH—W. K. Estep, manager of the Allegheny Division Middle Department Rating Association, has issued a bulletin listing new schedules for metal working risks, clay workers and brick yards. Under the schedules adopted by the Middle Department Association, eligible risks will be rated without application. No rebates are permitted on existing policies.

B. & L. Insurance Committee Meets

NEWARK—The insurance committee of the New Jersey Building & Loan League, of which Leon Rosenthal of this city is chairman, held a dinner meeting here featured by a discussion of the

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new bond advocated by the United States Building & Loan League to be applied to building and loan associations. Paul Sand of the Smith-Austermuhl agency, Camden, N. J., reported on owners' protective liability as applicable to building and loan associations. Mr. Rosenthal has been elected to the national committee on fidelity bonds and insurance of the United States League.

Ocean County to Organize

A meeting of agents was held at Tom's River, N. J., with Raymond Voorhees of Lakewood, vice-president New Jersey Association of Underwriters from Ocean county, presiding. The purpose was to discuss the formation of an Ocean county board. H. A. Faunce of Atlantic City, former state president, and C. Stanley Stults of Hightstown, member of the National executive committee, were present. It was decided to proceed with the organization.

Joint New Jersey Meeting

A joint meeting of the Middlesex county and Monmouth county, N. J., associations of insurance agents was held at Matawan. Speakers were Dr. J. G. Lipman of Rutgers University; F. W. Doremus, secretary American, and C. E. Meek, Jr., of Paterson, president New Jersey Association of Underwriters.

Residence Loss \$100,000

PITTSBURGH—The largest residential loss in Allegheny county in a number of years was recorded with the destruction of the 20-room summer mansion of Mrs. J. R. McCune, Coraopolis Heights. The loss was total to insurance, \$80,000 on the house and \$20,000 on furnishings, the house being valued at around \$200,000. Its isolated position and lack of sufficient water supply for firefighters balked efforts to save the structure.

The Freehold Real Estate Company and McCandless, Collingwood & Alexander placed the insurance. Companies on the loss are the American Alliance, Camden, Commercial Union, Connecticut Fire, Employers Fire, Fire Association, North America, Palatine, Providence Washington, National Union, New Hampshire, Niagara, Northern, Rhode Island, St. Paul, United States Fire and Yorkshire.

Broader Coverage Bill

BOSTON—A petition by Commissioner DeCelles for amendment of the law relative to the kinds of business that may be transacted by insurance companies has received favorable consideration before the legislative committee, there being no opposition. The bill provided that the insurance law be amended so as to allow the writing of the following lines: Smudge, collision, collapse, fall, volcanic eruption, vandalism, malicious mischief, strikes, labor disturbances, looting, all included in section 47 of chapter 175.

Essex County Board Meeting

NEWARK—The Essex County Board, of which H. L. Brooks of Newark is president, will hold a dinner Thursday evening in West Orange, N. J. Following a brief business meeting, Leon A. Watson, expert on the Schedule Rating Office of New Jersey, will talk on the fire insurance situation, as far as rating is concerned, throughout New

Jersey. D. M. Pearsall of Summit, N. J., chairman of the educational committee of the New Jersey Underwriters Association, will talk on the educational insurance course which the association plans to hold.

The new organized Insurance Women of New Jersey Association will meet with the agents and it is expected that Mrs. Christine Nolan, president of the association, will speak.

Schmitt to Philadelphia

PITTSBURGH—W. F. Schmitt, for several years engineer of the Eastern Underwriters Inspection Bureau here, has been transferred to Philadelphia. No successor has been announced here.

Insurance Course Offered

HARTFORD—A course in business and commerce will be offered by Connecticut State College beginning next September, according to Dr. I. G. Davis, head of the economics department. This course will provide training in in-

surance as well as in other forms of business. R. D. Gray, another member of the faculty, has contacted a number of insurance offices as well as other business offices throughout the state, in an effort to provide positions for students after graduation and to secure advice in planning the new business course.

Pennsylvania Insurance Days Set

PHILADELPHIA—Directors of the Insurance Federation of Pennsylvania decided to hold the 1938 Pennsylvania Insurance Days at the Bellevue-Stratford Hotel here May 26-27.

S. J. Carr, resident vice-president Standard Accident, was named general chairman of Insurance Days. He was one of the associate chairmen in charge of the annual meeting of the National Association of Insurance Commissioners in Philadelphia last June.

The Pennsylvania Federation will mark its silver jubilee this year. The committee in charge is endeavoring to obtain outstanding insurance men of the country for the two-day program.

MOTOR INSURANCE NEWS

Conference in Massachusetts

Commissioner DeCelles Holds a Hearing Relative to Certificates Issued on Cars Sold on the Finance Plan

BOSTON—A Conference was held before Commissioner DeCelles attended by insurance company officials, agents, brokers and men connected with automobile finance companies. The issue arose as to representation to purchasers of used cars on the matter of property insurance with the idea that a ruling might be issued based on the combined experience of all hands which would conform to the resolution on the subject adopted by the National Association of Insurance Commissioners. The resolution provided that the policyholder should have complete information regarding the type of coverage, limits of liability, etc.

The agents complained of the flat rate at which finance companies wrote this insurance regardless of the value of the car as against a sliding scale dependent upon values at which the agents are forced to write it. It was agreed that a committee of 10 should be named by the different groups represented at the hearing to take the matter under consideration and recommend to the commissioner what action in their opinion should be taken.

Long Term Buying Adds to Auto Burnings: Theimer

OKLAHOMA CITY—Investigations in recent months have convinced W. C. Theimer, Oklahoma fire marshal, that a direct relation exists between long term motor vehicle buying and an increase in the number of automobile arson cases. Suspicion is justified, he said, because motor vehicles are built on designs that greatly reduce fire hazards.

"Long time loans on cars are causing more burnings than anything else," he said. "Owners get hard pressed when their cars need overhauling while payments are still due, so they 'sell them

to the insurance companies.' My theory is that if the extent of long term installments on cars should be reduced, there would be less inducement to burn cars."

In 1937, three convictions on motor vehicle arson charges were obtained. Three such cases are pending and three cases are under investigation.

Mr. Theimer and his staff have found this form of arson is most prevalent in the southeastern Oklahoma oil field. Unemployment has increased in that section, he said, and in desperation some seek to collect insurance on their cars.

Bill Is Unopposed

BOSTON—There was no opposition before the insurance committee to a bill which would authorize the National Grange Fire to write automobile fire and theft insurance in Massachusetts.

Collision Experience

NEW YORK—While consideration was given by the National Theft Bureau at its annual meeting to the suggestion that member companies report to it their collision as well as theft losses, no action was taken. The prevailing opinion was that as the western branch is now tabulating collision claims, it would be wise to wait the result of the experiment before calling for such data from the country as a whole.

Repossessions Running Heavy

Companies writing automobile finance business report that these days cancellations of insurance due to repossessions are running very heavy. The finance companies report to their insurers that purchasers under contract who are not able to meet installments are voluntarily surrendering possession of their automobiles. In former years, the finance companies were faced with obstacles in making recovery of cars where the purchaser fell behind in payments but today the purchasers seem eager to maintain their credit standing and are voluntarily turning in their automobiles. If this trend continues, observers believe that the 1938 automobile premiums will show a heavy decline.

MARINE

Marine Office Opens New Office in Indianapolis

The Marine Office of America is opening a branch office in Indianapolis with James Hayden as manager. He has opened offices at 831 Security Trust building. This office will serve southern Ohio as well as Indiana. This relieves Scott Frazier of Detroit of northern Indiana and Stanley Bodman of Illinois of southern Indiana. Mr. Hayden has been four years in the Chicago office of the Marine Office of America, of which Ray Sullivan is manager.

Lawson Speaks at Dayton

E. D. Lawson, western marine department manager Fireman's Fund, Chicago, spoke on yacht insurance at a meeting of the United States Power Squadron at Dayton, O. This is an organization of yacht owners 150 miles from the nearest navigable water, who are taking a course of study in navigation under instruction of the U. S. navy.

A. H. Bryant Dies

A. H. Bryant, former chief surveyor of the Portland district for the Board of Marine Underwriters of San Francisco, died there. He had served the board in Portland and the Pacific northwest for a great many years.

C. H. Holm, 60, for a number of years with the H. J. Hall agency, Lincoln, Neb., died there.

Takes New Post



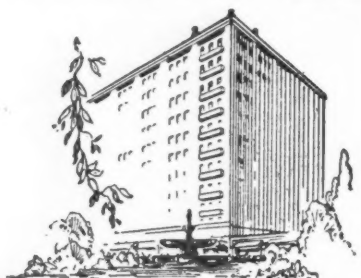
ROGER M. SIMPSON, Chicago

Roger Simpson has assumed his new position as vice-president of the Transportation Insurance Co. in Chicago, the running mate of the Continental Casualty. He is well qualified for his position as he has spent his entire career in transportation and all-risk insurance. He has been head of Newhouse & Sayre agency in Chicago since 1930.

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CANADIAN NEWS

Tariff Companies Win Suit

Confirmed in Exclusive Use of "Goad's Plans"—Infringing Copies Held by Others Must Be Turned Over

OTTAWA, CAN.—Exclusive rights of tariff companies to the use of what are known as "Goad's Plans" for fire underwriting were confirmed by the exchequer court of Canada in an action between the Underwriters Survey Bureau, which is associated with the tariff body in Canada, and Massie, Renwick Co. and other non-tariff defendants. It was begun in June, 1935.

The court found that the plaintiffs' rights in the plans had been infringed by the defendants. It granted an injunction to restrain defendants from further use of the plans, and required defendants to deliver up all copies of the plans to the copyright holders. It awarded damages for improper use of the plaintiffs' property and for unfair competition, the damages to be fixed by the registrar of the court when plaintiffs request an inquiry into them.

The plans were started by Charles Goad about 1880, and carried to completion by a company incorporated by him. The Underwriters Survey Bureau, formed in 1917 by the tariff companies, acquired the plans, and in 1931 it purchased all the Goad Company's assets including the copyright on the plans.

The judgment is stated to establish a new point in copyright law, that where there has been infringement, all infringing copies automatically become the property of the copyright holder and must be delivered to him.

Form New Canadian Company

Application for incorporation of a new Canadian company to be known as the Maritime Provinces General will be made to the present session of the Dominion parliament.

Morgan, Nicholson, Ltd., Winnipeg, have opened an office in the Royal Trust building, Toronto.

See 50 Million As Inland Marine Volume in 1937

(CONTINUED FROM PAGE 3)

agent may receive calls from a dozen or so enthusiastic young men in a period of two or three months, each of the visitors emphasizing the "overlooked" opportunities in this field. The matter of expenses has become quite a problem for the inland marine department. The great trouble seems to be that agents have gotten into the habit of leaning upon the marine field men and will only produce business when the marine special agent is in town. If an agent thinks he has a marine prospect, he is very likely to summon the company man to come to the town and help close the case. That sort of a situation runs up the cost.

Prepare Against Changes

Undoubtedly, the latest influx of new companies into the inland marine field is prompted by the growth of the personal property floater.

Companies have come to the conclusion that they should be prepared against changes that the personal property floater may presage. The personal property floater takes business from the fire and casualty departments. A company feels that it must protect itself in this situation and the management probably theorizes that some day there may be some new type of marine cover that will feed off existing fire or casualty business and that a trend may set in.

On a premiums written and losses

paid basis, the figures so far available indicate that for 1937 there was an improvement in the loss ratio for inland marine business. However, if it were not for the three year personal property business, it may be that the 1937 loss ratios would be little better than the 1936 record.

Golden Jubilee Western Branch of National Fire

(CONTINUED FROM PAGE 3)

to blaze in the west, and in insurance Fred S. James led the way. He was approachable, thoroughly democratic, and never hesitated to reveal his human traits in his business life.

"Mr. James' assistant for more than a quarter of a century was George W. Blossom, an analyst and a student, a man with an amazing faculty to master the intricacies of system and detail."

President Layton paid his respects to Manager Bell, saying that when the appointment was made many men were considered. Mr. Bell was selected because of his fine experience and fitness for the position.

Business Meetings Held

Manager Bell presided at the business meetings, aided by Assistant Manager L. R. Hanawalt.

Local agents should use advertising, and field men should help them use it more effectively because it will make local agents' selling time twice as profitable, according to Jarvis Woolverton Mason, manager advertising department, in his talk. Mr. Mason said that in his own local agency he found that the number of effective interviews per hundred calls is nearly doubled when mail advertising precedes new business calls. "An agent gets a chance," he said, "to sit down and talk insurance to nearly twice as many prospects, if he uses advertising to break the way."

Mr. Mason stated that the newly inaugurated advertising program of the National Fire group, is built entirely upon the premise that the way to advertise an insurance company is to help its local agents sell more effectively.

Helpful Addresses Made

Among the discussions was one upon use and occupancy and extra expense insurance, led by Chief Engineer Carl Sachs. He stressed the coinsurance form, as probably the most saleable type of net earnings insurance. Mr. Sachs went on to a discussion of extra expense insurance, pointing out that use and occupancy insurance covers only those additional expenses incident to a loss that actually reduce the loss. "Where it is necessary to maintain service that will not reduce the amount of loss, extra expense insurance is the only form that will recompense the assured."

Assistant Manager E. J. Silhanek explained in detail various plans for financing premiums. Superintendent of Agencies E. H. Forkel, discussed reporting forms of cover, both those offered through the Interstate Underwriters Board and those written within one state. Loss Superintendent T. E. Heald, speaking about the new extended coverage endorsement, told the real reasons for the development of this new and simplified form, one of which is, he said, "a general tendency toward, and a public demand for, broader coverage. The new extended coverage endorsement removes ambiguities and clarifies the coverage given."

Superintendent L. L. Sanders of the automobile and inland marine department, told about some of the newer forms and newer applications of old forms of automobile and inland marine insurance.

F. S. Dauwalter, director of the Business Development Office, talked on dealing with cut rate competition by constructive selling of capital stock company fire insurance.

Secretary C. R. Welborn of the Un-

derwriters Laboratories told about the work of his organization, in conjunction with the showing of the new talking picture "Approved by the Underwriters."

President F. D. Layton attended all the meetings and made the concluding remarks, which were enthusiastically received.

Surplus Line Plan for Illinois Is Voted by Brokers

(CONTINUED FROM PAGE 5)

brokers may be placed by brokers licensed under section 445 with unauthorized insurers.

It was pointed out that the code makes it unlawful for any person to act as an agent or serve or represent any unauthorized company in connection with insurance secured in violation of section 121 or in connection with maintaining an agency or office where such contracts are executed, or maintaining files or records, or receiving payment of premium on behalf of any unauthorized company, penalty being fine ranging from \$100 to \$1,000 or up to 12 months imprisonment or both. It was also pointed out that misrepresentation by any person licensed as a broker, agent or solicitor to a surplus line broker of any material fact regarding the insurance coverage in order to obtain a policy contract with an unauthorized insurer in violation of the basic principles set forth in the association's proposed rules would subject the producer to the possibility of license revocation under the code.

General Rules Drafted

General rules that will be enforced regarding the surplus line provisions were outlined. Submission to admitted insurers will always be required except as later stipulated. The refusal of authorized insurers to write a contract form is not a basis for the contention such insurance is not procurable from authorized insurers if the form of contract involves a combination of classes of insurance which cannot be lawfully combined by authorized companies under the code. In such case coverage by separate forms of contracts must be diligently sought by the producer from authorized companies before he can place the risk with an unauthorized company.

The provisions also state: "Artificial divisions of coverage of one kind into two or more proposed contracts, for the purpose of rendering a portion of the coverage unacceptable to insurers unauthorized to write that kind is prohibited where the entire coverage of that kind would be acceptable as a single contract to insurers authorized to write that kind in this state."

Excerpts from Rules

"The refusal of authorized insurers to write a lawful form of coverage solely upon the basis of mutual agreement not to write such insurance where such form of coverage is required by a citizen for his protection and not prohibited by law, will permit the licensed surplus line broker to write such coverage in unauthorized insurers."

"Where one portion of insurance in one kind is acceptable to authorized insurers, but another portion of the same kind is not acceptable, then if it can be shown that the unauthorized insurer will accept the entire coverage, but not the rejected portion alone, the entire coverage in the kind may be placed with an unauthorized insurer after written notice to the secretary of the Surplus Line Brokers Association, who shall thereupon notify the director of insurance of the facts and circumstances of such coverage."

"Where a coverage against a specific risk is required by a citizen for his protection, but such coverage is not available except in combination with other coverage against risks, which is not required by the citizen, insurance may be

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Insurance defense, casualty and workmen's compensation. Client references upon request.

KENNEDY & FISCHER
10 South La Salle Street
Chicago, Illinois
Detroit Inter-Insurance Exchange
The Chicago Motor Club

McKENNA & HARRIS
166 West Jackson Boulevard
Chicago, Illinois
Insurance Defense
Sun Indemnity, Liberty Mutual, Car & General, U. S. F. & G. Others on request.

MILLER, GORHAM, WESCOTT & ADAMS
One La Salle Street
Chicago, Illinois
Zurich General Accident Ins. Co., London Guarantee & Accident Co., Inter-Insurance Exchange of Chicago Motor Club. Others on request.

POPPENHUSEN, JOHNSTON, THOMPSON & RAYMOND
Eleven South La Salle Street
Chicago
Trial of Insurance cases—Casualty, Surety, Fire and Life—in all courts in northern Illinois.

EDWARD W. RAWLINS
James F. Wright
Associate
77 West Washington Street
Chicago, Illinois
Aetna affiliated companies, Massachusetts Bonding, The Medical Protective Company, Automobile Owners Insurance Co.

BARR & BARR
416 Rialto Square Building
Joliet, Illinois
Important investigations and adjustments. Travelers, Continental Casualty Co., Loyalty Group and others.

CLARENCE W. HEYL
8th Floor Central National Bank Bldg.
Peoria, Illinois
Trial of Insurance cases: representing MARYLAND, FIDELITY & CASUALTY, ROYAL, GLOBE, EAGLE, BANKERS INDEMNITY AND OTHERS.

INDIANA

DAVIS & EICHHORN
Gary State Bank Building
Gary, Indiana
Ocean Accident & Guarantee Co., Columbia Casualty Co., American States Insurance Co., and many others. Important investigations considered. Equipped for trial of all insurance cases in State and Federal Courts in Northwest Indiana.

HENRY & FUNK
Investigations—Adjustments—Trial Work
References on Request
SECURITY TRUST BUILDING
INDIANAPOLIS

INDIANA (Cont.)

LUTZ & JOHNSON
Suite 728-32 Circle Tower
Indianapolis, Indiana
Insurance Attorneys

SLAYMAKER, MERRELL & LOCKE
Attorneys specializing in All Phases of Fire, Marine, Life & Casualty Insurance Litigation
751-760 Consolidated Building
INDIANAPOLIS

IOWA

HICKENLOOPER and MITVALSKY
Merchants National Bank Bldg.
Cedar Rapids, Iowa
Northwestern National Casualty Co., Milwaukee, Wisc., and others on request. Defense trial of all insurance cases in State and Federal Courts in this territory. Equipped for investigation, adjustment and settlement of claims.

LAMBACH, KOPF & BERGER
1102 Davenport Bank Bldg.
Davenport, Iowa
CARL H. LAMBACH, HOWARD E. KOPF, A. FRED BERGER
Attention to trial work in all courts. Investigation and Adjustments in Eastern Iowa and Northwestern Illinois. London Guar. & Aetna, Market Service, Illinois Casualty, others on request.

BRADSHAW, FOWLER, PROCTOR & FAIRGRAVE
Suite 510 Crocker Building
Des Moines, Iowa
Representing Continental Casualty—Loyalty Group—Hartford Accident and many others. Equipped for investigations and adjustments of Insurance Claims.

COMFORT & COMFORT
Frank J. Comfort George P. Comfort
1107 Southern Surety Building
Des Moines, Iowa
Massachusetts Bonding & Insurance Co., Casualty Reciprocal Exchange. Trial of civil cases. Investigations and adjusting.

STIPP, PERRY, BANNISTER & STARZINGER
LAWYERS
1009-1023 Bankers Trust Building
DES MOINES, IOWA
Travelers—Northwestern Life Co.—Globe Indemnity—Fireman's Fund. Equipped for investigations, settlement of claims and trial of all insurance cases in State and Federal Courts.

MILCHRIST, SCHMIDT & MARSHALL
700-704 Security Building
Sioux City, Iowa
New York Life Insurance Co., Penn Mutual Life Insurance Co., The Equitable Life Assurance Society, London & Lancashire Indemnity Co., The Preferred Accident Insurance Co. of N. Y.

KANSAS

O. R. STITES
Citizens National Bank Building
Emporia, Kansas
Travelers, U. S. Fidelity & Guaranty, Western Casualty & Surety, Maryland Casualty, many others. Investigations, adjustments.

KANSAS (Cont.)

VANCE, HOPE & FLEMING
Walters Building
Garden City, Kansas
Continental Insurance Co., Chicago, Ill., S. W. Greyhound Lines, Central Surety Company, Fidelity & Deposit Co., Baltimore. Equipped for investigation and reports.

HALL & CLARK
303-304 Wolcott Building
Hutchinson, Kansas
Specializing in all phases defense of insurance companies.
Reference: Western Adjustment & Inspection Company.

NORRIS & JENKINS
Public Utility Bldg.
Salina, Kansas
Insurance Companies represented: Fidelity & Casualty, Fidelity & Deposit, Loyalty Group, American Surety, Hardware Mutual and many others. Equipped for investigations, adjustments and trial of cases in Northwest Kansas.

Doran, Kline, Colmery, Cosgrove
903 National Bank of Topeka Bldg.
Topeka, Kansas
Equipped for investigation, adjustment, settlement and trial of insurance business of all kinds in Kansas.

HART, PORTER & McDONALD
505 Fourth National Bank Bldg.
Wichita, Kan.
Representing the U. S. Casualty Co. of New York, Fidelity & Deposit of Md. Equipped for investigations and adjustments in territory.

KENTUCKY

WILLIAM J. GOODWIN
1017 Kentucky Home Life Building
Louisville, Kentucky
Investigations, adjustments and trial of all insurance cases in State and Federal courts. Former trial attorney for City of Louisville.

WOODWARD, DAWSON & HOBSON
Insurance Attorneys
615-24 Kentucky Home Life Building
Louisville, Kentucky

LOUISIANA

McCOY, KING & JONES
Suite 515 Weber Building
Phone 400
Lake Charles, Louisiana
American Auto Ins. Co., American Surety, Employers Group, Fireman's Fund, Ins. Co., Maryland Casualty, Travelers Group, U. S. F. & G., and many others. Investigations and adjustments all over this territory.

LESLIE P. BEARD
1914 American Bank Building
New Orleans, Louisiana
Trinity Universal, Sun Indemnity, Central Surety & Insurance Corp., and many others. Equipped for investigations, adjustments, and trial of all cases in State and Federal Courts in Eastern Louisiana.

LOUISIANA (Cont.)

PURNELL M. MILNER
707 American Bank Bldg.
New Orleans, La.
Representing the American Bonding Co.; and Fidelity & Deposit Co. forty-three years. Special representation Continental Casualty and United States Casualty.

MARYLAND
WALTER L. CLARK
Roscel C. Thomsen
Clater W. Smith
Baltimore Trust Building
Baltimore, Maryland

MASSACHUSETTS
AVERY, DOOLEY, POST & CARROLL
177 State Street
Boston, Massachusetts
Factory Mutual Insurance Co., Bankers Indemnity Co. of Newark, Builders & Manufacturers of Chicago, Pacific Indemnity Co. of Los Angeles, Manufacturers of Philadelphia, Market Service Group. Complete claim, adjustment and legal service.

WILLARD, ALLEN & MULKERN
100 Milk Street
Boston, Massachusetts
Aetna Group, New Amsterdam, Farm Bureau Mutual Automobile Assoc. of Columbus, O., and others on request. Investigations and trials in upper New England States.

MILTON J. DONOVAN
31 Elm Street
Springfield, Massachusetts
Fire Companies Adjustment Bureau, Inc.
Trial of all insurance cases including casualty, fire and surety in State and Federal Courts.

MICHIGAN

BEAUMONT, SMITH & HARRIS
2900 Union Guardian Building
Detroit, Michigan

ALEXANDER, McCASLIN & CHOLETTE
2217 National Bank Building
Detroit, Michigan
Equipped for investigations and defense of all insurance cases—State and Federal Courts.

HENRY A. PLATT
2111 National Bank Building
Detroit, Michigan
Specializing in defense Trial work for Insurance Companies.

MILLARD & ROBERTS
1326 Union Industrial Building
Flint, Michigan
Royal Indemnity Co., American Auto Insurance Co., Central Surety Insurance Co., Michigan Mutual Liability Co., and National Fire Insurance Co.

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the succeeding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

MICHIGAN (Cont.)

ALEXANDER, McCASLIN & CHOLETTE

Peoples National Bank Building
Grand Rapids, Michigan
New York Casualty, Fidelity & Casualty, General Accident, U. S. Fire, London Guarantee & Acc., American Surety, Employers' Liability.
Equipped for investigations this territory. Defense trial—all insurance cases—western Michigan.

KNAPPEN, UHL, BRYANT & SNOW

700 Michigan Trust Building
Grand Rapids, Michigan
Fidelity & Deposit Co. of Maryland, The Travelers, Hardware Mutual and others on request.
General Insurance litigation in State and Federal Courts.

HARRY D. BOARDMAN

607 Jackson City Bank Bldg.
Jackson, Michigan
Western Adjustment Company.
Former Prosecutor, Jackson County, and Assistant Attorney General of Michigan.
Trial work—investigations.

CLAIR S. BEEBE

1003 American National Bank Bldg.
Kalamazoo, Michigan
Western Adjustment & Inspection Co.
Trial of all insurance cases in State and Federal courts in this territory.

MINNESOTA

MILLER, FOOTE & MILLER

Fournet Bldg.
Crookston, Minn.
Royal Group, Hardware Mutual, Eagle Indemnity and others upon request.
Equipped for investigations, adjustments and settlement of claims.

GILLETTE, NYE, HARRIES & MONTAGUE

1200 Atworth Bldg.
Duluth, Minn.
Globe Indemnity, U. S. F. & G., American Auto, Zurich, St. Paul Mercury, and many others on request.
Equipped for investigations, adjustments—north-eastern Minnesota.

FIELD & FIELD

Fergus Falls National Bank Bldg.
Fergus Falls, Minn.
Aetna Insurance Co., Maryland Casualty Co., Hartford Indemnity Co., All-State Insurance Co.
Equipped for investigations, adjustment of claims in western Minnesota.

W. H. FREEMAN

981 Northwestern Bank Bldg.
Minneapolis, Minn.
Employers Group of Boston, Great Lakes Casualty, Union Central, All-State, Builders and Manufacturers, Chicago, and others.
Equipped for investigations and adjustments.

JOHN ROLAND WARE

819 Foshay Tower
Minneapolis, Minn.
General Counsel: Home Farmers Mutual Ins. Co., Farmers Cooperative Mutual Insurance Assn.

CHARLES H. RICHTER

American National Bank Bldg.
St. Cloud, Minn.
American Surety Co., U. S. Casualty Co., and others on request.
Equipped for investigations and adjustments in this territory.

MINNESOTA (Cont.)

BRIGGS & BRIGGS

915E First National Bank Bldg.
St. Paul, Minn.
Fidelity and Casualty Co. of N. Y. Others on request.
Equipped for investigations, adjustments and defense of insurance cases. Trial of all cases in State and Federal Courts.

MISSISSIPPI

WATKINS & EAGER

1001-9 Standard Life Building
Jackson, Miss.
Representing Natl. Board of Fire Under.; Fire Companies Adl. Bur.; Miss. State Rating Bur.; Aetna Cas. & Sur.; Fld. & Cas. Co.; Indem. Ins. Co. of N. A.; Md. Cas. Co.; St. Paul Mercury; Zurich; Gen. Accid.; Security Mut. Cas.; Equitable Life Assur. Socy.; Home Life of N. Y.; New York Life; Aetna Life; others. Counsel for leading fire companies in Miss.

NEBRASKA

ALLEN, REQUARTTE & WOOD

302 Woodmen Accident Bldg.
Lincoln, Nebr.
Insurance Clients represented and general counsel: Woodmen Accd., Central Health, Farmers Mut., Nebr., Union Fire, all in Lincoln, Nebr. Local Counsel for numerous foreign fire, life and casualty companies. Equipped for investigations and adjustment of claims in S. E. and Southern Nebraska.

ROSEWATER, MECHAM, SHACKELFORD & STOEHR

1028-40 City National Bank Building
Omaha, Nebraska
Representing 35 Insurance Companies—Kemper Group—Loyalty Group—Sun—Home—Liberty of Boston—American Surety—Security of Chicago—Employers of Wausau—Associated Ind. and others. Complete trial and claim service over Nebraska and Western Iowa.

E. L. MAHLIN

K. C. Sutherland, Associat
201 Petrow Building
Fremont, Nebraska
Defense trial work of all insurance cases in State and Federal Courts.
Investigations, adjustments, settlement of claims.

NEW JERSEY

EDWARDS, SMITH & DAWSON

1 Exchange Place
Jersey City, New Jersey
Fidelity & Casualty Co. of New York, London Guarantee & Accident Co., Hardware of Stevens Point, Wisconsin.
Equipped for investigations.

NEW MEXICO

HENRY G. COORS

701-703 First National Bank Bldg.
Albuquerque, N. M.
Representing Gen. Accd. Fire & Life Assur.; Continental Casualty; United Services Auto Assoc.; Ohio Casualty; Government Employees Ins. Others on request.
Equipped for investigations and adjustments throughout New Mexico.

NEW YORK

AINSWORTH & SULLIVAN

75 State Street
Albany, New York
Represent: Fire Companies' Adjustment Bureau, Inc.; Employers' Group; The Fidelity & Casualty Company of New York; Hartford Accident & Indemnity Co.; Hardware Mutual Casualty Co.; Western Insurance Companies; others on request.
Trials and investigations in Eastern New York.

NEW YORK (Cont.)

David F. Lee
David Levine

LEE, LEVENE, O'BRIEN & KRAMER

TRIAL LAWYERS
310 Security Mutual Bldg.
BINGHAMTON, NEW YORK
Insurance attorneys. Especially equipped to handle investigations, adjustments and litigation over central New York.

WILLIAM LURIE

291 Broadway, New York City
American Surety Co. of New York, New York Casualty Co., Loyalty Group, Seaboard Surety Co.
Equipped for investigations.

PLATOW, LYON & STEBBINS

60 Broad Street
New York City
Defense attorneys for marine and casualty underwriters. References upon request. Equipped for investigations.

NAYLON, MAYNARD & SMITH

505 State Street
Schenectady, New York
General Insurance, investigations and litigations.

MACKENZIE, SMITH & MITCHELL

821 Onondaga County Savings Bank Bldg., Syracuse, New York
Aetna Insurance Co. Group, Mass. Bonding & Ins. Co., Associated Indemnity Ins. Co., Fire Co.'s
Adjustment Bureau and others on request.
Equipped for investigations

NORTH CAROLINA

J. MELVILLE BROUGHTON

William H. Yarborough, Jr., Associate
501-505 Lawyers Building
Raleigh, North Carolina
General Counsel: Atlantic Fire Ins. Co.; No. Carolina Home; Local Counsel: Travelers Group; Employers Group; Ocean Accd. & Ind.; Amer. Surety; Liberty Mutual and Others.
Trial Work, Investigations and Adjustments

NORTH DAKOTA

NILLES, OEHLERT & NILLES

584 Black Bldg.
Fargo, N. D.
Continental Casualty Co., Standard Accident Insurance Co., Home Indemnity Co., St. Paul Mercury Indemnity, Insurance Co. of N. A. Represent Western Adjustment and Inspection Co.
Equipped to handle investigations and adjustments in southern North Dakota.

BANGS, HAMILTON & BANGS

215 South Third Street
Grand Forks, N. D.
National Surety Corporation, Fidelity Casualty Co., Hartford Accident & Indemnity Co., and others on request.
Equipped for investigations, adjustments in all northern North Dakota.

OHIO

BULKLEY, HAUXHURST, INGLIS & SHARP

630 Bulkley Building
Cleveland, Ohio
Fireman's Fund Ins. Co., American Insurance Co., Bankers Indemnity Ins. Co., Globe Indemnity Co., Continental Casualty Co., London Guarantee & Accident Co., Ltd.

OHIO (Cont.)

FOOTE, BUSHNELL, BURGESS & CHANDLER

1250 Terminal Building
Cleveland, Ohio
Metropolitan Life Insurance Co., Medical Protective Co., Hartford Accident & Indemnity Co., Western Insurance Co., Columbia Casualty Co., Ocean Accident & Guarantee Co.

JOHN H. McNEAL

HARLEY J. McNEAL
502 Auditorium Bldg., 1307 E. 8th St.
Phone Main 1928 CLEVELAND
Attorneys-at-Law
Facilities for investigations, adjustments and Trial work over Northern Ohio.

HEDGES, HOOVER AND TINGLEY

8 East Long Street
Columbus, Ohio
Fireman's Fund Indemnity Co., Massachusetts Bonding and Ins. Co.
Equipped for investigation and adjustments.

PICKREL, SCHAEFFER, HARSHMAN & YOUNG

Gas & Electric Building
Dayton, Ohio
Hartford Accident & Indemnity, Fireman's Fund, Fidelity & Casualty, Western Ins. Group, Bankers Indemnity.
Investigation and Adjustment Department.

LOGAN & BRADLEY

408 Home Bank Building
Toledo, Ohio

WILLIAM E. PFAU

710 Union National Bank Building
Youngstown, Ohio
Continental Casualty, American Motorists, New Amsterdam, Royal, Standard & O, Bookers, Mass. others on request.
Equipped for investigations and adjustments. Defense trial—all insurance cases.

OREGON

HARRIS & BRYSON

201-6 Miner Building
Eugene, Oregon
Zurich General Accident and Liability Insurance Company, Ltd.; Manufacturers and Wholesalers Indemnity Exchange. (Other companies on request.)
Equipped for investigation, adjustments, settlement of all insurance cases, and trial in State and Federal Courts.

WILSON S. WILEY

608-609 Oregon Bank Bldg.
Klamath Falls, Ore.
Defense trial of all insurance cases State and Federal Courts.
Equipped for investigations.

FEE & RANDALL

Stangier Building
Pendleton, Oregon
Equipped for investigations and trial work.

BARTLETT COLE

1124 Board of Trade Bldg.
Portland, Oregon
Careful attention to all insurance matters
Trial of all insurance cases in State and Federal Courts.

(Continued next page)

INSURANCE ATTORNEYS

• The insurance law firms whose professional cards are shown on this and the preceding pages have been selected after careful investigation. They have the recommendation and endorsement of The National Underwriter.

OREGON (Cont.)

DEY, HAMPSON & NELSON
800 Pacific Building
Portland, Oregon
Continental Cas. Co., American Motorist, Pacific Greyhound Lines and others.

McCAMANT, THOMPSON, KING & WOOD

American Bank Bldg.
Portland, Ore.
Mutual Life Ins. Co. of N. Y., Union Central Life, New Amsterdam Cas., Commercial Casualty, Sun Indemnity.
Equipped for investigations, adjustments of claims.

RAFFETY & PICKETT

410 Mead Building
Portland, Oregon
Globe Indemnity Co., Fireman's Fund Insurance Co. (Marine Department), other names upon request. Equipped to make investigations and adjustments, also trial of insurance cases in all State and Federal Courts.

PENNSYLVANIA

MOORHEAD and KNOX

1732 Oliver Building
Pittsburgh, Pa.
Equipped for investigations.
Defense of Insurance Companies in State and Federal Courts.

THORP, BOSTWICK, REED & ARMSTRONG

Grant Building
Pittsburgh, Pa.
Seaboard Surety Co., American Surety Co. (Pittsburgh office), U. S. Fidelity & Guaranty (some cases), others on request.
Investigations.

RHODE ISLAND

SHERWOOD & CLIFFORD

1583 Turks Head Building
Providence, R. I.
General Counsel: Factory Mutual Lish. Ins. Co. and Automobile Mutual Ins. Co. of America.
Rhode Island Counsel: Employers' Liability, Century Indemnity and others.
Investigations, Adjustments and trial of all cases.

SOUTH CAROLINA

THOMAS-LUMPKIN & CAIN

1000-7 Central Union Building
Columbia, South Carolina
Specializing in Fire, Casualty, Surety and Life.
Trial of all cases.
Equipped for investigations and adjustments all over South Carolina.

SOUTH DAKOTA

BAILEY, VOORHEES, WOODS & BOTTOM

Sioux Falls
Charles O. Bailey (1860-1928)
John H. Voorhees, Melvin T. Woods, Jr., Theodore M. Bailey, Roswell Bottomum
Howell L. Fuller, Ralph S. Rice

BOYCE, WARREN & FAIRBANK

355 Boyce Building
Sioux Falls, S. D.
Hardware Mutual, Mutual Benefit Health & Accident, Northwestern National Casualty, Bankers Indemnity, London Guarantee & Accident.

S. DAKOTA (Cont.)

WALTER STOVER

First Citizens National Bank Building
Watertown, S. Dakota

TENNESSEE

MANIER & CROUCH

Baxter Bldg.—216 Union Street
(Entire 4th Floor)
Nashville, Tenn.
Preferred Accid.; U. S. Guarantee; Fireman's Fund; Allstate; St. Paul Mercury; Utilities Ins.; Employers Reinsurance; Central Surety; many others. For clients who have no local adjusters, we investigate, adjust claims as well as handle legal work anywhere in Middle Tennessee.

TEXAS

HUBBARD, DYER & SORRELL

City National Bank Building
Corpus Christi, Texas
References: Maryland Casualty Company, American Fidelity & Casualty Company, Traders & General Insurance Company.
Specializing in Insurance Law
Equipped for Investigation and Claims

BROMBERG, LEFTWICH, CARRINGTON & GOWAN

Magnolia Building
Dallas, Tex.
Representing New Amsterdam Casualty; Standard Surety and Casualty; St. Paul Mercury; American Automobile; Ohio Casualty; Western Casualty and Surety; General American Group. Others on request.

LAW OFFICES COKE & COKE

First National Bank Building
DALLAS, TEXAS
Roster J. Coke, Henry C. Coke, Jr., Julian B. Mastin, Thomas G. Murnane, John N. Jackson, Arthur E. Hamilton

CANTEY, HANGER & McMAHON

15th Floor, Sinclair Building
FORT WORTH, TEXAS
Samuel B. Caney, Samuel B. Caney, Jr. (1882-1924), Alfred McKnight, William A. Hanger, Harold T. Thurrow, Mark Mahon, B. K. Hanger, W. D. Smith
Investigations, Adjustments, Trial All Cases

COLE, PATTERSON & COLE

Citizens State Bank Building
Houston, Texas
Robert L. Cole, Sr., J. W. McDaniel, Bennett B. Patterson, Harold T. Thurrow, Robert L. Cole, Jr., R. E. Owens, Seymour Lieberman
Standard Accident Insurance Company of Detroit, Chicago Lloyds, United States Casualty Co. of New York City, etc.
Equipped for investigation, adjustment, trial of all insurance cases and oil cases.

LAW OFFICES OF EDWARD S. BOYLES

FIRST NATIONAL BANK BUILDING
HOUSTON, TEXAS
Edward S. Boyles, Willard L. Russell, M. R. McCorquodale, V. Lee McMahon, Bruce C. Billingsley, Hugh Q. Book, E. F. Gibbons

BIRKHEAD, BECKMANN, STANARD & VANCE

800-811 Gunter Building
San Antonio, Texas
Continental Casualty Co., Chicago; Indemnity Ins. Co. of North America, Phila.; Mass. Bonding & Ins. Co., Boston; Provident Life and Acc. Ins. Co., Chattanooga; Sun Indemnity Co. of New York; Volunteer State Life Ins. Co., Chattanooga, and others.

UTAH

THATCHER & YOUNG

First Security Bank Building
Ogden, Utah
Travelers, Great American Indemnity, Maryland Casualty and others on request.
Equipped for investigations, adjustments, defense of insurance companies in Northern Utah.

BADGER, RICH & RICH

604-610 BOSTON BUILDING
SALT LAKE CITY, UTAH
Equipped for investigations, adjustments, trials. Representing Standard Accident, Sun Indemnity, Zurich, State Farm Mutual Auto, Western Casualty & Surety, Employers Mutual, Chicago Lloyds, United Services Automobile Association, Glens Falls, Farmers Mutual Automobile and others upon request.

STEWART, STEWART & CARTER

1105 Continental Bank Building
Salt Lake City, Utah
Equipped for investigations, adjustments, settlements of claims and trial of all insurance cases State of Utah

WASHINGTON

BOGLE, BOGLE & GATES

603 Central Bldg.
Seattle, Wash.
Oregon Mutual Life, Occidental Life, Bankers Life, Fireman's Fund, Home Insurance Co. (Marine), Pacific Indemnity (Surety), St. Paul Mercury Indemnity, Lincoln National Life Insurance Co.

BYERS, WESTBERG & JAMES

310 Marion Bldg.
Seattle, Wash.
Specializing in defense trial work of insurance companies. References on request.
Equipped to handle investigations, adjustments and settlements on all insurance claims.

DAVIS AND GROFF

(William Hatch Davis, former member Vermont Bar) (Guy B. Groff, former member Maryland Bar)
1333 Dexter Horton Building
Seattle, Washington
(1) John Hancock Life.
(2) Fidelity & Guaranty Fire Corporation.
(Others on request)
Equipped for investigations and adjustments and trial of all insurance cases in State and Federal Courts.

GRINSTEAD, LAUBE & LAUGHLIN

1400 Dexter Horton Bldg.
Seattle, Wash.
Fidelity & Deposit, Massachusetts Bonding & Insurance, Associated Indemnity, Globe Indemnity. Qualified to handle defense trial work of fire companies.

SKEEL, McKELVY, HENKE, EVENSON & UHLMAN

(Formerly Roberts & Skeel)
INSURANCE BUILDING
John W. Roberts, W. B. McKelvy, E. L. Skeel, Wm. Paul Uhlman, Tom W. Holmar, Harry Henke, Jr., Frank Hunter, W. E. Evenson, Tyre H. Hollander, Robert H. Grace, Laurence Booth
SEATTLE

SCHWELLENBACH & GATES

Alaska Building
Seattle, Washington
American Automobile Insurance Company, St. Louis Missouri; other companies given on request.
Trial of all insurance cases, State and Federal Courts.

WASHINGTON (Cont.)

H. EARL DAVIS

301 Sherwood Building
Spokane, Washington
Representing the Columbia Cas., Ocean Acc. & Guarantee, Royal Indemnity, Eagle Indemnity, Great American Indemnity, American Surety, New York Casualty, U. S. Guarantee, Ohio Casualty Ins., Great Lakes Casualty, Connecticut Indemnity, St. Paul Mercury Indemnity.
Equipped to handle investigations and adjustments and all types of insurance trial work.

BURKEY & BURKEY

Puget Sound Bank Bldg.
Tacoma, Wash.
Insurance clients given on request. Equipped for investigations and adjustments.

HARLEY W. ALLEN

182 First National Bank Building
Walla Walla, Washington
Representing U. S. F. & G., Portland Assoc. Indemnity, Portland. Other companies on request.
Equipped for investigations, adjustments and trial for this territory and eastern Oregon.

WISCONSIN

CROCKER & HIBBARD

303 1/2 South Barstow St.
Eau Claire, Wisconsin
Equipped for handling all insurance matters in this territory in State and Federal Courts.
Reference: Western Adjustment and Inspection Bureau.

NASH & NASH

Savings Bank Building
Manitowoc, Wisconsin
Continental Casualty Co., The American Motorist, American Employers Group, Hardware Mutual Casualty Co., and others on request.
Equipped for investigations, settlement of all insurance claims—this territory. Defense trial in State and Federal Courts.

BLOODGOOD, STEBBINS & BLOODGOOD

212 W. Wisconsin Ave.,
Warner Building
Milwaukee, Wisconsin

EUGENE L. McINTYRE

Bender, Trump & McIntyre
605 Security Building
(213 West Wisconsin Ave.)
Milwaukee, Wisconsin
Western Ins. Companies of Fort Scott, Sun Indemnity, Central Surety & Ins. Corp., Employers Insurance Corp. Others on request.
Equipped to investigate and adjust claims in Milwaukee and vicinity.

A. B. WELLER

Plankinton Building
Milwaukee, Wisconsin
Defense trial of all insurance cases in State and Federal Courts of Wisconsin.

WOLFE & HART

First Wisconsin Nat. Bank Bldg.
Milwaukee, Wisconsin
Special attention to the Law of Fire Insurance

placed with unauthorized insurers by a licensed surplus line broker."

Regarding rates, the regulations state: "The use of a surplus line broker's license for the sole purpose of premium or rate competition with authorized insurers is prohibited, except as specifically set forth in these rules. Any premium or rate decision will be made upon the basis of whether or not the conditions imposed and the rate quoted by authorized insurers are reasonable, based upon experience of such authorized insurers and upon comparison with the conditions imposed and the rates offered by an unauthorized insurer. The refusal of authorized insurers to issue policies or contracts of insurance at rates reasonably commensurate with the risks may be considered by the executive committee of the association and such risks classified by it as risks which cannot, after diligent effort, be procured from authorized insurers. (Section 445 does not contemplate enforcement by authorized insurers of unreasonable and arbitrary conditions and rates upon the insuring public.)"

Note Qualification Law

The tentative rules and regulations wind up with a warning that the Illinois qualification law requires that only persons having knowledge of insurance laws of Illinois, who are trustworthy, have good business reputation, are worthy of license, are not guilty of fraudulent, dishonest practices and who have demonstrated their competency to transact an insurance business, may be licensed, and that the insurance director may deny or revoke a license if he finds there has been material misrepresentation by the producer in selling policies.

The objects are set forth in the constitution: "To cooperate with the department of insurance of Illinois and with admitted insurance carriers for the proper use, regarding policies or contracts of insurance with unlicensed carriers, of licenses issued under section 445 of the Illinois insurance code by members of the association; to discourage and prevent violation of the law of the state of Illinois by members of the association, and insofar as possible by non-members regarding policies or contracts of insurance with unlicensed carriers; to encourage fair dealing between members and with the public, and with licensed insurance carriers by members; to adopt and enforce rules, insofar as permitted by law of Illinois, for the accomplishment of the objects of the association."

The setup is such that it is virtually obligatory for an individual or firm desiring to do a surplus line business to be a member of the association or to place

this business with a member. Membership automatically terminates upon a member ceasing to be a licensed surplus line broker and no member will be permitted to withdraw otherwise without giving 10 days' written notice to the secretary or without paying in full his

assessments or other indebtedness due the association.

The executive committee has power to enforce the provisions and to decide questionable cases regarding contracts or insurance policies, with right of review.

RECOLLECTIONS OF CHARLES R. STREET

(CONTINUED FROM PAGE 5)

Thomas R. Burch of the Phenix. He was 18 years of age and became very homesick in Chicago. My mother often went to see him to bolster him up. Manager Burch wrote to her that it was best to let her son "stick it out," as he put it, and always praised his work.

In 1885, in the summer, my brother Albert went to Chicago to keep Charles R. company. Albert was genial and popular. This was exemplified by the fact that he was best man in 16 weddings before his own at the age of 28. His visit did seem to make Charles R. a bit more contented. However I have a letter written by Charles R., which says, "I would rather be in jail in Mississippi than be general agent of the Phenix in Chicago."

As the years went on I was very clear in my analysis of his situation. In his boyhood at home he was loved, respected and encouraged by praise. That had a very potent influence on him. Strange as it may seem to those who knew him later in life, he was never adjusted to the driving power and aggressiveness found in the business world of strong competition. This was true no matter how efficient he later became through wide knowledge of his work.

Our mother died in her '30s and that left us all at sea. She was certainly a light in our home. Her energy and ambition for all about her were infectious. I recall in our home in Meridian, how my brother Charles' friends and college acquaintances would come and sing as she played for them.

Col. H. M. Street Prominent in Many Activities

Our father, Col. H. M. Street, was prominent in many lines. He died in 1920 in his 88th year. He was a Confederate veteran, a member of the legislature and engaged in many civic and political enterprises. He was much loved and revered in his native heath. He traced his ancestry back to Robert Bruce of Scottish fame. Our father was born on his father's plantation at Deep River, N. C., in January, 1833, being the eldest of 13 children. In 1852 he moved with his father's family to Mississippi. He served throughout the war as a member of the 26th Mississippi Infantry. He was first elected to the legislature from Tishomingo county in 1869. He was elected as a representative in the famous "Black and Tan" legislature in 1876. Many people in those days claimed that our father saved the state from ruin and degradation attending the carpet bag regime. He moved to Meridian in 1882 and continued as representative from Lauderdale county, serving as speaker of the house. His last election was on his 75th birthday anniversary.

Merchants Union Was Organized at Meridian

In his 70th year he organized the Merchants Union Insurance Co. of Meridian, which was liquidated in 1916 at a profit. Colonel Street was for more than 30 years senior elder of the First Presbyterian Church of Meridian. He was high in Masonry and wielded a wide influence in public affairs. Colonel Street was twice married. The children by his first wife were Albert, Charles R., Miss Ethel Street, a dramatic reader, and myself. For years I acted as my father's private secretary. My son, Hugh Street Coburn, was educated at Virginia Military Institute and started his insurance career with the North America in the field. He later switched to the National Liberty and is now assist-

ant Pacific Coast manager of the Home fleet under Manager Clinton D. Lasher.

My brother Albert was the oldest. He was manager of the Peru Plow & Wheel Works and resident at La Salle, Ill. He was president of the Country Club there. He died at his desk in 1911 from heart failure.

Colonel Street went with the Phenix of Brooklyn, Oct. 1, 1876, as a field man, continuing with it until March, 1903, when the Merchants Union was organized. The Phenix had the cream of the Mississippi business as long as it was under the western department at Chicago.

During the latter years of my father's life the management of the Merchants Union fell very much on me. Colonel Street said in his memoirs that "Not losses but expenses contributed to bolster our determination to retire the company."

Riding a Pony on the Home Plantation

One of my earliest recollections of my father's coming home was his riding to inspect the plantation with me astride his shoulders and my brother Charles R. on his pony riding by our side. My father probably was the first bare-headed man of fashion for I had to hold to his hair at times to keep my balance. Charles R. and I presented a portrait of our father to the Mississippi A. & M. College as he was a trustee.

My father had great pride in the Merchants Union. He wanted to help the state. It was particularly a Mississippi company. He loved the Mississippi people. The company had a fine record and he cherished it.

My brother was western manager of the Fidelity-Phenix and later president. We thought that through him a reciprocal deal could be effected. My brother, therefore, dealt with Henry Evans, who was chairman of the board of the America Fore.

Henry Evans Issue Due to the Merchants Union

It was due to this Merchants Union deal that an issue was made between my brother and Mr. Evans which led to my brother's retirement. There would have been no loss to anyone under the contract if Mr. Evans had been forced to carry it out. I was compelled to file suit in connection with this reinsurance deal and it was my first experience in court except as a witness. I was subjected to some very rough treatment. I felt that we were treated wrongly as we only desired to have a square deal.

I always felt that my brother was badly treated in the Merchants Union deal although he accepted the various indignities placed upon him without murmur and assumed the blame. When the rift came between him and Henry Evans my brother took the brunt of it all and declined to accept a pension. My brother made no criticism of Mr. Evans' course or what he did. He took his medicine like a soldier.

While my brother and I were seldom together after he went to Chicago there was always a strong and understanding bond between us due to the early happy years of association on our plantation home. If I might philosophize a bit, let me say that what the world now needs are more homes of that type whose occupants work and enjoy together the fruits of life and live for the good of all within and without the home.

After my two brothers left home and my father concluded to organize the

Merchants Union I was his constant helper and was left in charge of his affairs. My interests were as confining as those of my brother Charles but more varied outside of business. I was the first president of the Business & Professional Women's Club of Mississippi and president for many years of the Meridian Women's Club. Once I edited the Meridian "Star." I served as state chairman for several years of the civil service reform commission of the Mississippi Federation of Women's Clubs; I was a member of the Mississippi ratification commission for women suffrage; state chairman of the women's auxiliary of the Mississippi Society for the Prevention of Fires. I issued a school text book on fire prevention. I belonged to a number of social organizations such as the Eastern Star, the Daughters of the Revolution, the United Daughters of the Confederacy, etc. In spite of these various activities I was in my office from 8:30 a. m. to 5 p. m. every day but one day for 13 years, except when it was necessary to go to New York, Chicago or New Orleans on business. I was having all the time a joyous experience as I knew that my work was helping my father. He and I were always great pals.

One very fragrant memory of my brother Charles was his praise and cheer that he always accorded me. He stated at various times that he admired me for not being "catty." That trait in a woman exasperated him.

I am of the firm belief that my brother knew of his physical condition long before he went to the hospital. It was characteristic of him that he did not complain nor did he reveal what was in his mind as to the gravity of his condition. His physical distress remained hidden from the world. He was aware of it, of course, perfectly well. My brother was not a man who complained. He bore the ills of life, the difficulties and the problems with an uncomplaining and unconquerable spirit.

Big Claimants Fight for Assets of Defunct MLU

(CONTINUED FROM PAGE 5)

the Pearl was entered into March 5, 1935, the claims cover a period August, 1936-September, 1937.

The Pearl points out that under its contract, it is not liable for any assessment. It states that all of the assets of MLU are to be applied first to the payment of all claims of the Pearl and assured and creditors similarly situated before any of the assets are available for the payment of any claims of participating and assessable subscribers. If there is a deficiency the Pearl contends the participating subscribers are liable to assessment.

This would seem to be an effort to offset the class claims filed by Howell & Jacobs for participating subscribers.

The claim for \$100,153 filed by Rankin-Benedict Underwriting Company, former attorney-in-fact, is based on 20 percent of the \$500,767 it alleges it placed on the MLU books up to Nov. 11, 1936. Rankin-Benedict states it was paid only \$7,668.94, leaving a claim of \$92,484.65, plus commission on business written between Oct. 31, 1936, and Nov. 11, 1936.

Rankin-Benedict asks priority for its claim over claims of policyholders. It wants 6 percent interest from November 11, 1936.

Walgreen's claim is for \$231,501 in losses. A good share of this amount is made up of damages growing out of the Louisville flood. Three items in this group are \$17,000, \$32,000, and \$28,000. The Walgreen losses for which claims are filed cover a period from July 19, 1936, to Oct. 1, 1937.

Aubrey Elliott has been transferred from the Galveston, Tex., inspection office of the fire division of the Texas insurance commission to the San Antonio office.

ATTORNEYS (Cont.)

WISCONSIN (Cont.)

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"ROCK" HOSMER WAS COLORFUL FIGURE

(CONTINUED FROM PAGE 11)

sided, Alvin S. Keys of Springfield, made the statement that Mr. Hosmer had done a great deal to cement relationships between Chicagoans and down staters insurance-wise.

Mr. Hosmer was widely read and he had what is usually characterized as a photographic mind. And he had a retentive memory.

The Hosmer name has been important in insurance for a good many years. Two brothers survive, they being Phil B. Hosmer of the R. W. Hosmer & Co., agency and Robert C. Hosmer, president of the Excelsior of Syracuse.

Their father was Frank B. Hosmer, who was a partner in the old D. S. Munger agency of Chicago and was the first special agent in the west for the Scottish Union. R. W. Hosmer was a brother of Frank D. Hosmer. R. W. Hosmer was employed as a clerk in the I. F. Dobson agency of Boston, that controlled much of the railroad business of the country. R. W. Hosmer was sent to Chicago to be in the Chicago office of that agency. In 1867 that agency failed and Mr. Hosmer started his own office, his first company being the City of New York.

Rockwood Hosmer joined the agency in 1905 and for the first few years traveled as a special agent for the North River, for which R. W. Hosmer & Co., was general agent. Most of his traveling was in Ohio. He subsequently confined his interest to the local end. He was 53 years of age at the time of his death.

Funeral Services Tuesday

Funeral services were held at the Graceland Chapel, Chicago, Tuesday afternoon. The funeral services were conducted by John Heyworth of the Unity Unitarian church. It was Dr. Heyworth who conducted the services just the other day for the late Charles R. Street, who was vice-president and western manager of the Great American.

Robert C. Hosmer and his son, R. C. Hosmer, Jr., who is special agent for the Excelsior, went to Chicago for the funeral. K. S. Ogilvie, New York, western manager of the Norwich Union, was present, as was E. W. Elwell, U. S. manager Royal Exchange. The Globe Indemnity head office was represented by Vice-president W. H. Galentine and F. H. Kingsbury, retired senior vice-president.

The Insurance Brokers Association of Illinois had an official delegation at the funeral consisting of C. A. Berger, president; J. C. Shepherd, treasurer; Gail Read, John Slagle, and Joseph Schwartz, directors.

One of Mr. Hosmer's fond associations was the Nominating Committee, an organization of congenial insurance men. The meetings of the Nominating

Committee were occasion for the grid-iron type of humor adapted to insurance and insurance men. Mr. Hosmer was always counted upon to produce some rare compositions for these meetings and the leaders in the Nominating Committee are now considering having a "Rock" Hosmer memorial dinner at which these compositions would be recited.

Wrote Impromptu Poetry

At nearly every social function which he attended, "Rock" came into the limelight in a natural way. His specialty was the writing of impromptu poetry. He had the ability to dash off topical verses and song parodies which he would sing or recite with eloquent gestures and emphasis. The speed with which he could turn out material of this kind was often surprising. He had a special gift for reciting long, narrative poems. There are many who will never forget his rendition of "The Ballad of Yukon Jake" or his discourse upon the famous contest which took place in far off Australia.

"Rock" shone with a bright light at the picnics given at Freeport, Ill., for several years by Fred M. Gund, western manager of Crum & Forster. At these affairs he was responsible for considerable of the entertainment that was given. Year after year those who attended wanted to hear again some of "Rock's" choicest offerings which were always given in his peculiarly effective style.

Maternal Ancestry

Mr. Hosmer's mother was the daughter of the Rev. Robert Collyer, famous Unitarian clergyman whose church edifice was on Walton Place and North La Salle street, where the Scottish Rite Cathedral now stands. Dr. Collyer was a blacksmith in England and later in Philadelphia before entering the ministry. The anvil which he used can be seen in the Unitarian Church on Barry avenue where Dr. Heyworth who officiated at the funeral is pastor. Thus Mr. Hosmer descended from a robust, forceful character on his maternal side. The Hosmer family came from Massachusetts and the members of the family were typically New England. Therefore, combined in his mental equipment was an inheritance that made him an unusual character.

The Illinois Association of Insurance Agents was represented at the funeral, in addition to Chicago members, by W. H. Jennings, Jr., Rockford, the president; J. C. Lanphier and Alvin S. Keys, Springfield; C. C. Nicholson, Decatur, and Mark I. Hall, Belvidere.

Insurance Director Palmer of Illinois interrupted a Florida vacation to attend the funeral. Deputy R. T. Nelson and Jack Brown, head of the license division, were also there.

Cincinnati Board Century Jubilee to Be Celebrated

(CONTINUED FROM PAGE 4)

& Marine, 1864; Enterprise, Globe, 1865; Farmers, Burnet, 1866; Security, 1867; Andes, 1870; Aurora Fire & Marine, Amazon, Triumph, 1871; Fidelity, 1872; Mutual Fire, 1874.

In 1823 the Aetna Fire opened an office at Cincinnati with T. S. Goodman as agent, the directors in 1822 instructing the secretary to journey on the seaboard of Massachusetts, New Hampshire, and Maine, and from thence through the interior of the country, establishing agencies where he might think proper. Mr. Goodman was a native of Hartford. In 1825 the Protection of Hartford opened what was probably the first general agency in the United States at Cincinnati with Ephraim Robbins as its representative. Mr. Robbins had been a Boston exporter, losing his fortune in a series of navigation disasters. He conceived the idea of opening an insurance agency, believing that he could sell insurance protection effectively after his own personal experience without insurance.

Mr. Robbins built up a very successful business in Cincinnati and the operations were uniformly profitable to the company. He wielded a powerful influence in the company's affairs and laid the foundation for a great agency system in the West.

The Cincinnati Fire Underwriters Association today has 85 members. Its officers are George B. Wilson, president; E. B. Dillhoff, vice-president; Joseph F. Schweer, secretary-treasurer. The governing committee includes Max Bernstein, Thomas T. Bryant, and Thomas M. Geoghegan.

Mayor Stewart of Cincinnati; Superintendent Bowen of Ohio; Paul L. Haid, president Insurance Executives Association; W. H. Bennett, secretary National Association of Insurance Agents; John A. Lloyd, executive secretary of the Ohio Association of Insurance Agents, and Morris Edwards, executive vice-president of the Cincinnati chamber of commerce, will be guests at the jubilee dinner.

Cincinnati Agents Heard Three Men Treat Insurance

(CONTINUED FROM PAGE 4)

ing of bailees customers policies or a manufacturing plant, or retail store without considering them prospects for parcel post. He never walks or rides over a bridge without thinking of it in terms of bridge insurance or sees a contractor at work without realizing that there stands a prospect for contractors equipment. He is curious to know who in his community is a hobbyist—stamp collector—antique or who has purchased a new camera, who owns a valuable musical instrument or who is a member of a band or orchestra. He does not merely accept the fact that two persons are to be married. His curiosity is aroused as to the number and value of wedding presents that will be displayed.

E. D. Lawson Answered Queries

Mr. Lawson's remarks were largely confined to answering questions on the personal property floater. He said that at first the personal property floater had been opposed because it would cut down burglary premiums; however, in those states where the personal property floater is written, the burglary companies are showing as large an increase as in the other states. It is no longer a subject of controversy and is written to satisfy a public demand. The agent who is not now pushing the personal property floater not only exposes himself to the loss of business on his books, but is failing in service to his clients,

Mr. Lawson said. The term "all risks" means exactly what it says, he declared.

The reason for scheduling values is to bring home to the client the values he is supposed to have scheduled. The assumption is that the coverage represents 80 percent of the value at risk. The assured is not limited in his acquisition of property under the coverage. Fire insurance is included on the furniture and rugs. Inherent vice has nothing to do with the moral hazard, but results from something which has no external cause.

Pertinent Information Given

If the assured has a \$75 money loss and a \$25 deductible policy, he collects \$25. If an assured has \$250 additional coverage on money and losses \$250, he does not collect anything because only burglary and hold-up loss is covered. Doctors' instruments are not covered.

Under a policy issued to Mr. and Mrs. John Jones and John Jones, Jr., John Jones, Jr., is covered until the expiration of the policy even if he changes his domicile after the policy is written. Country homes are not covered unless specifically endorsed. Scratching and marring are not covered unless coverage is given under fine arts. Spilling of liquor on furniture is covered. Students' effects are covered away from home. Fur coats and jewelry not scheduled are covered up to \$250.

When asked why jewelry, silverware, and furs were required to be separately scheduled instead of a blanket coverage being given, Mr. Lawson replied that the underwriters did not wish to destroy the jewelry business, but were perfectly willing to give coverage on costume jewelry and knick-knacks. It may easily become a valued policy as regards jewelry scheduled. Companies are generally paying bicycle claims. A \$20 counterfeited bill, if the assured has money coverage, taken to the bank and confiscated by the bank does not entitle the assured to recover, since the "bill" is only a piece of worthless paper and is not money.

George B. Wilson, president of the Cincinnati Fire Underwriters Association, presided.

Nebraska B. D. Meetings

A Business Development meeting was held at Hastings, Neb., with 127 local agents in attendance. L. P. Carpenter, Hastings, was zone chairman.

Speakers were Wallace Rodgers, Western Underwriters Association, Chicago; James Bright, Leland Hall, R. J. Reishauge, S. L. Gardner, Dean E. Shafer and F. Jackson.

Meetings will be held at McCook March 24 and North Platte March 25.

Harold Warner in Atlanta

ATLANTA—Harold Warner, United States manager of the Royal-L. & L. & G. groups, is spending several days at the southern department at Atlanta conferring with Manager S. Y. Tupper.

Harold Larson Transferred

Harold Larson, adjuster for the Western Adjustment, has been transferred from the Sioux Falls office to Rapid City, S. D.



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OF WINTERTHUR, SWITZERLAND

111 JOHN STREET
NEW YORK

United States Branch

Statement December 31, 1937

ADMITTED ASSETS

U. S. Treasury Bonds	\$1,609,430.74
Other Bonds	1,092,741.25
Stocks	88,729.00
Accrued Interest	22,968.47
Cash in Office and Banks	118,253.45
Premiums in Course of Collection	69,094.82
(Less than 90 days due)	\$3,001,217.73

LIABILITIES

Reserve for Unearned Premiums	\$ 127,716.91
Reserve for Outstanding Losses	33,049.40
Reserve for Other Liabilities	32,719.42
Voluntary Contingency Reserve	307,732.00
Total Liabilities	\$ 501,217.73
Statutory Deposit, New York	850,000.00
Net Surplus above Deposit	1,650,000.00
Policy Holders' Surplus	2,500,000.00
	\$3,001,217.73

Bonds and Stocks owned are valued in accordance with the requirements of the New York State Insurance Department and the National Association of Insurance Commissioners. Securities carried in the above Statement at \$1,255,477.84 are deposited as required by law.




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